TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
BETTER OFF THAN YEAR AGO:													
Income is higher	26%	27%	27%	27%	28%	25%	27%	32%	29%	26%	28%	26%	27%
WORSE OFF THAN YEAR AGO:													
Income is lower	22	23	17	18	23	20	24	21	25	21	22	23	26
Higher prices	30	29	27	27	29	27	27	23	26	25	24	22	24

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES
EXPECTED CHANGE IN FINANCIAL SITUATION

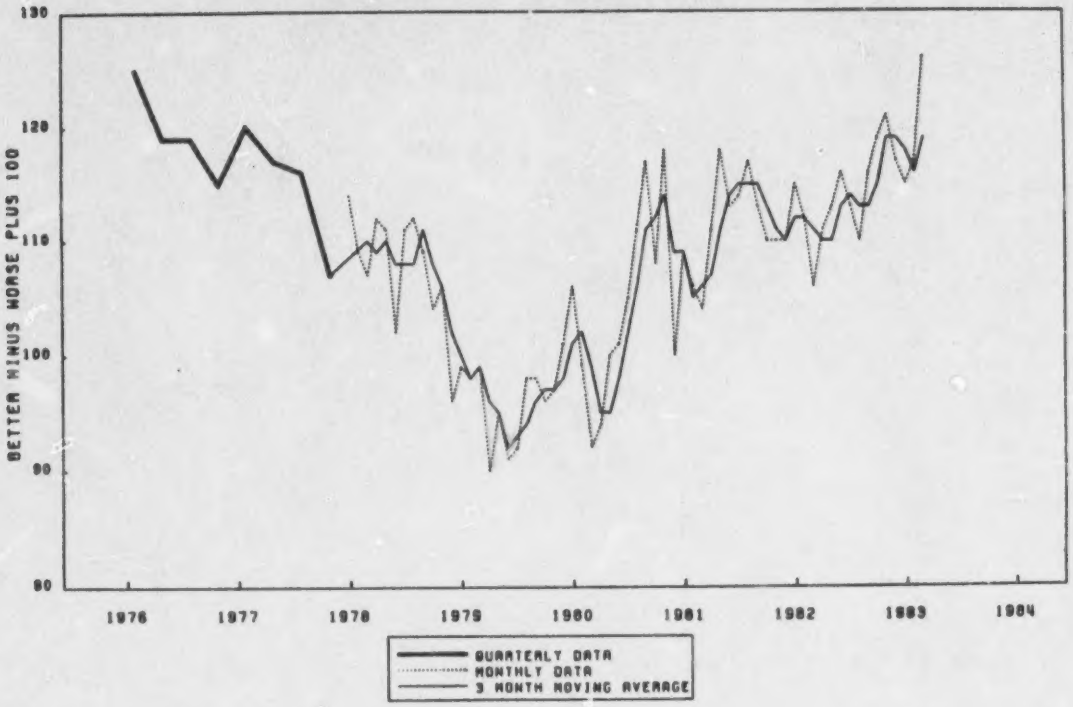


CHART 6 - HISTORICAL SERIES
EXPECTED CHANGE IN FINANCIAL SITUATION

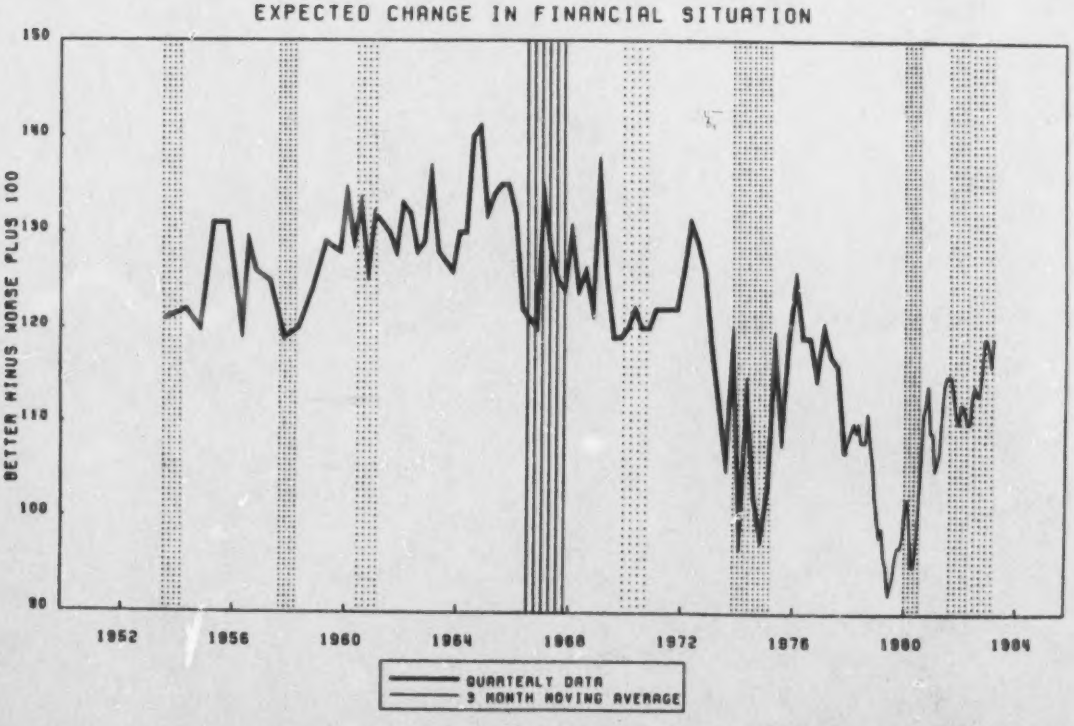


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
BETTER OFF	27%	31%	30%	34%	30%	30%	33%	35%	37%	34%	34%	33%	39%
SAME	48	45	49	45	49	46	48	45	43	46	44	47	46
WORSE OFF	21	20	17	18	17	20	17	16	16	17	19	16	13
DK,NA	4	4	4	3	4	4	2	4	4	3	3	4	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES

TREND IN PERSONAL FINANCIAL SITUATION

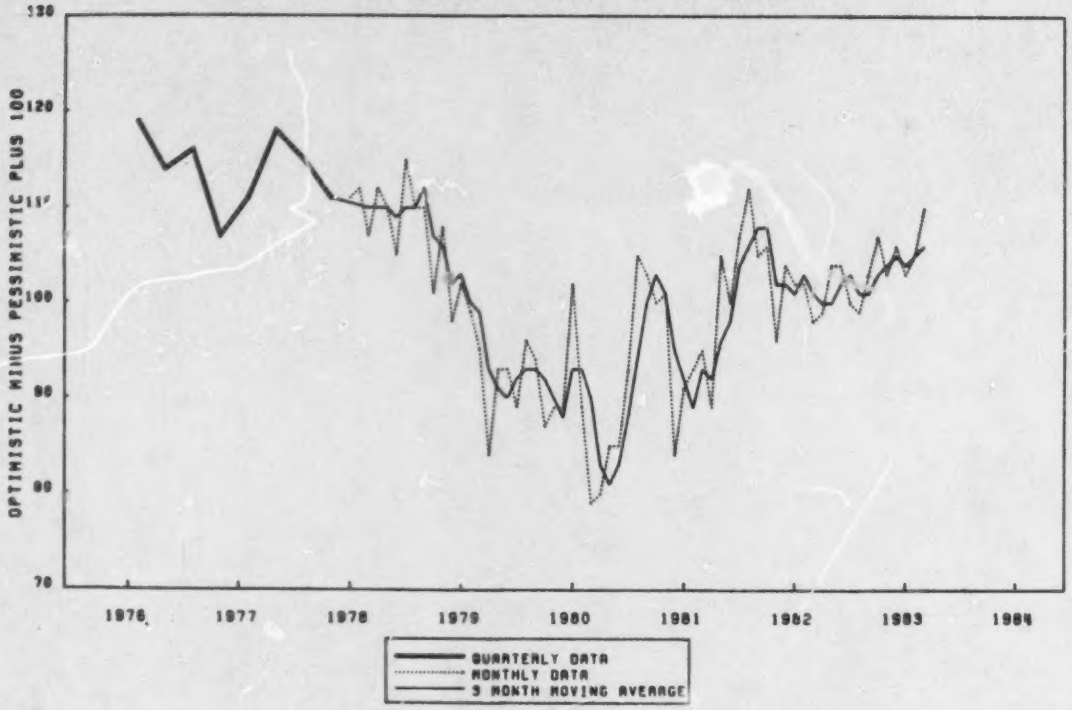


CHART 7 - HISTORICAL SERIES

TREND IN PERSONAL FINANCIAL SITUATION

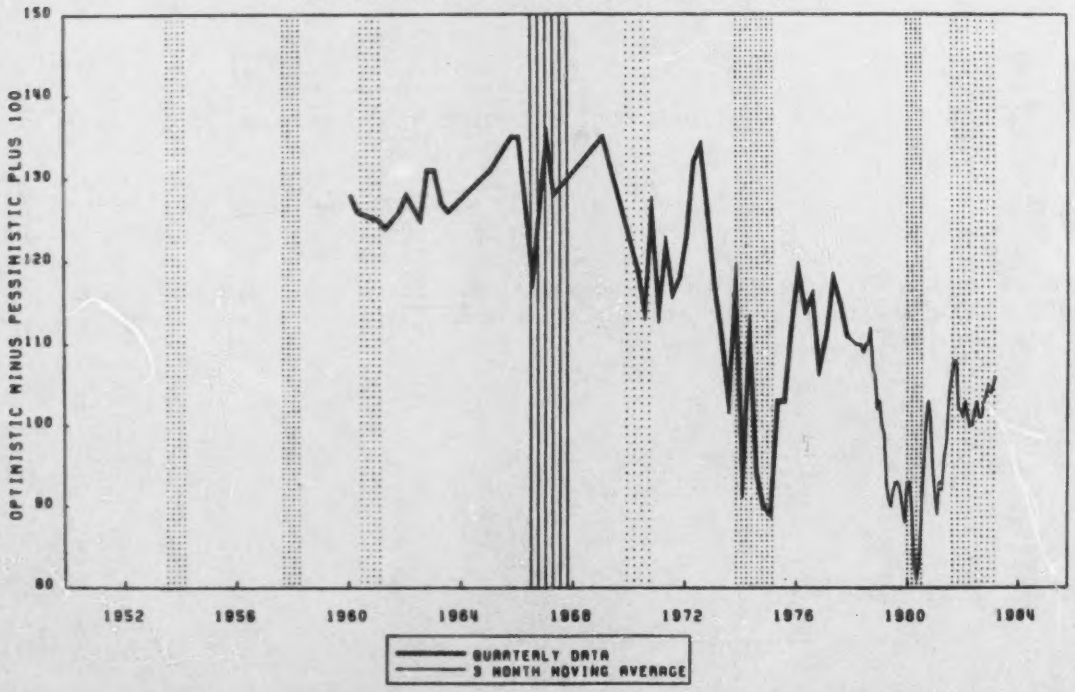


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	11%	12%	14%	14%	15%	15%	15%	18%	16%	14%	15%	13%	16%
Intermittent increase (b)	22	20	23	22	19	18	21	20	19	22	20	22	22
Remain unchanged (c)	14	17	17	16	17	18	16	14	12	18	16	16	16
Intermittent decline (d)	22	21	22	23	23	21	22	21	22	18	21	20	21
Continuous decline (e)	13	12	11	9	11	13	11	10	10	12	11	10	7
Mixed change (f)	14	14	9	13	11	11	12	12	18	13	13	14	16
DK,NA	4	4	4	3	4	4	3	5	3	3	4	5	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME

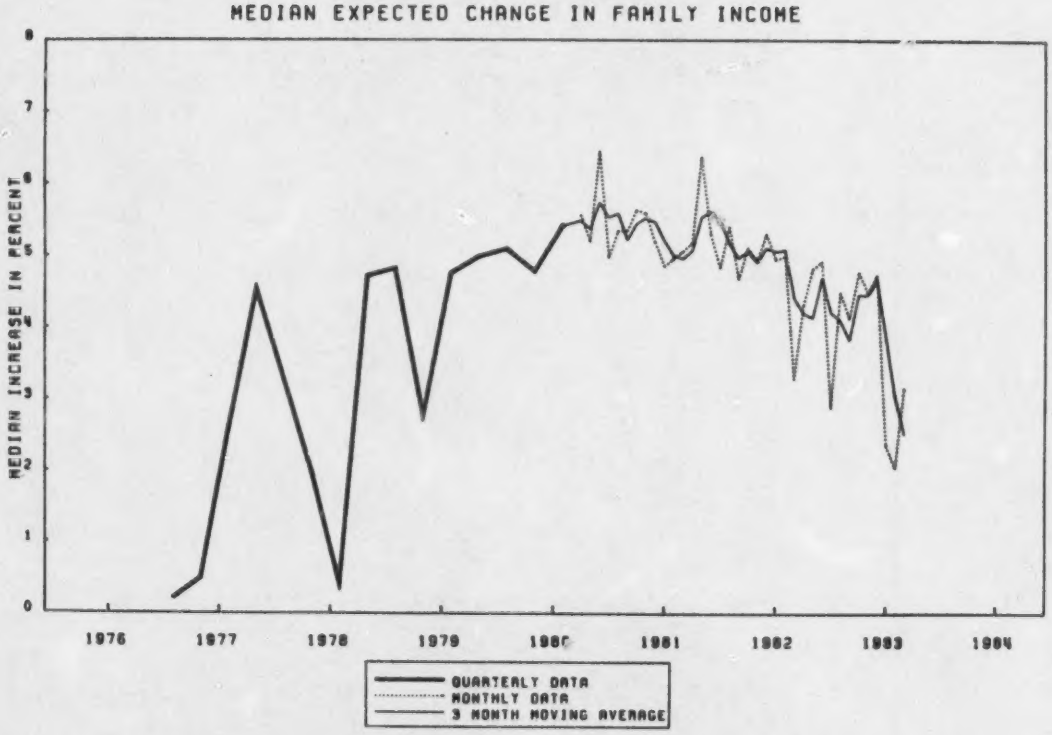


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
EXPECT INCREASE:													
1-4%	5%	7%	5%	6%	9%	8%	6%	7%	6%	6%	11%	7%	7%
5%	8	10	9	11	8	7	9	9	9	10	9	9	10
6-9%	9	8	11	13	10	12	9	11	7	9	8	8	10
10-24%	19	19	20	20	17	18	21	18	19	22	13	16	16
25% or more	7	7	8	7	6	7	7	8	9	7	7	8	7
DK how much up	6	6	7	4	6	6	4	7	6	4	6	4	5
EXPECT SAME	25	24	24	21	27	24	30	23	27	24	28	30	26
EXPECT DOWN	18	18	15	17	16	15	13	14	14	17	17	16	17
DK,NA	3	1	1	1	1	3	1	3	3	1	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

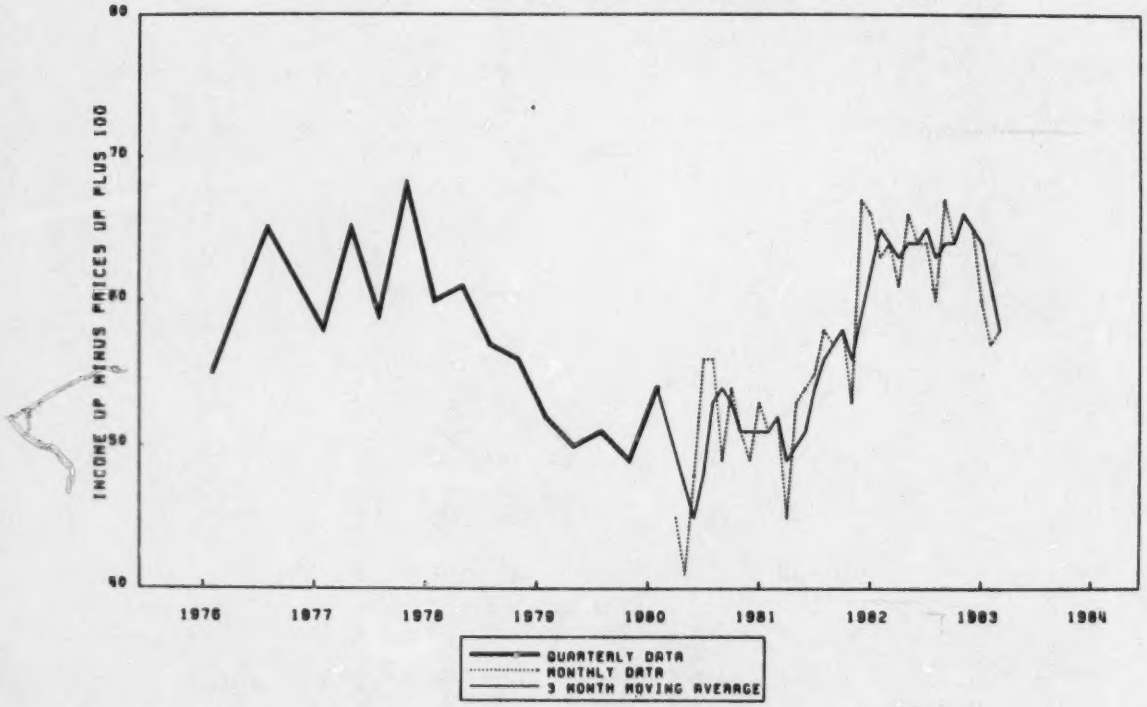


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
INCOME UP MORE	16%	14%	18%	16%	17%	14%	17%	18%	16%	14%	14%	14%	16%
INCOME UP SAME	31	32	29	31	29	30	32	27	33	35	30	27	25
PRICES UP MORE	52	53	52	52	53	54	50	54	50	49	54	57	58
DK,NA	1	1	1	1	1	2	1	1	1	2	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR

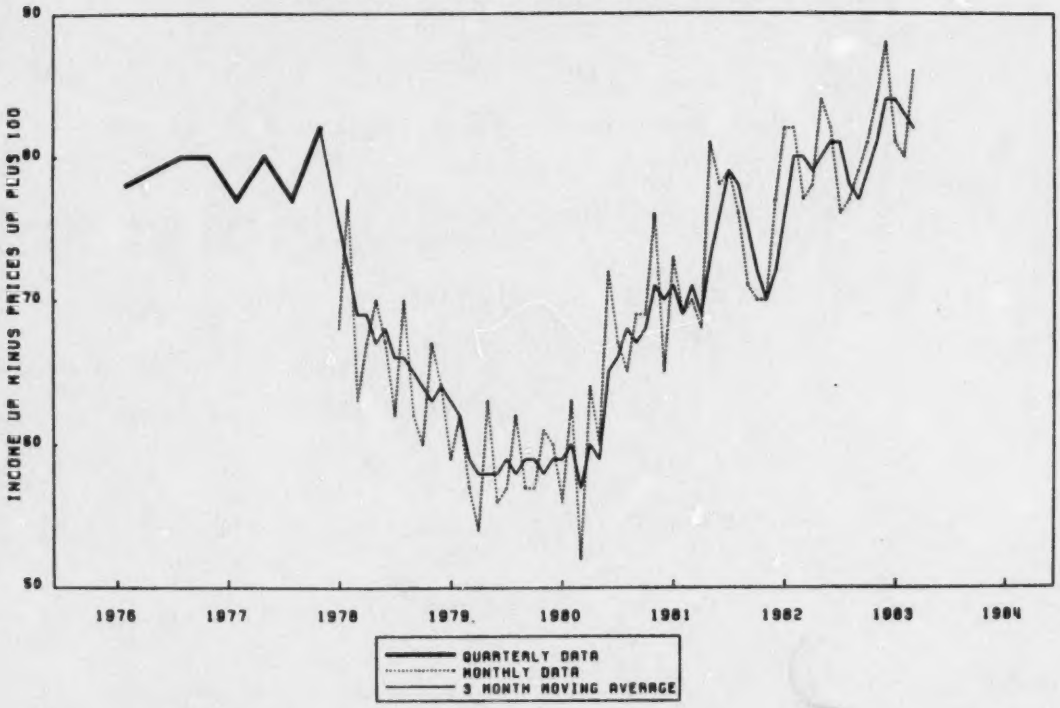


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
INCOME UP MORE	16%	17%	19%	18%	16%	17%	20%	18%	19%	21%	19%	16%	21%
INCOME UP SAME	41	42	43	43	41	40	37	42	42	44	40	44	41
PRICES UP MORE	39	39	35	36	40	40	41	37	35	33	38	36	35
DK,NA	4	2	3	3	3	3	2	3	4	2	3	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES

TREND IN INCOME AND PRICE COMPARISON

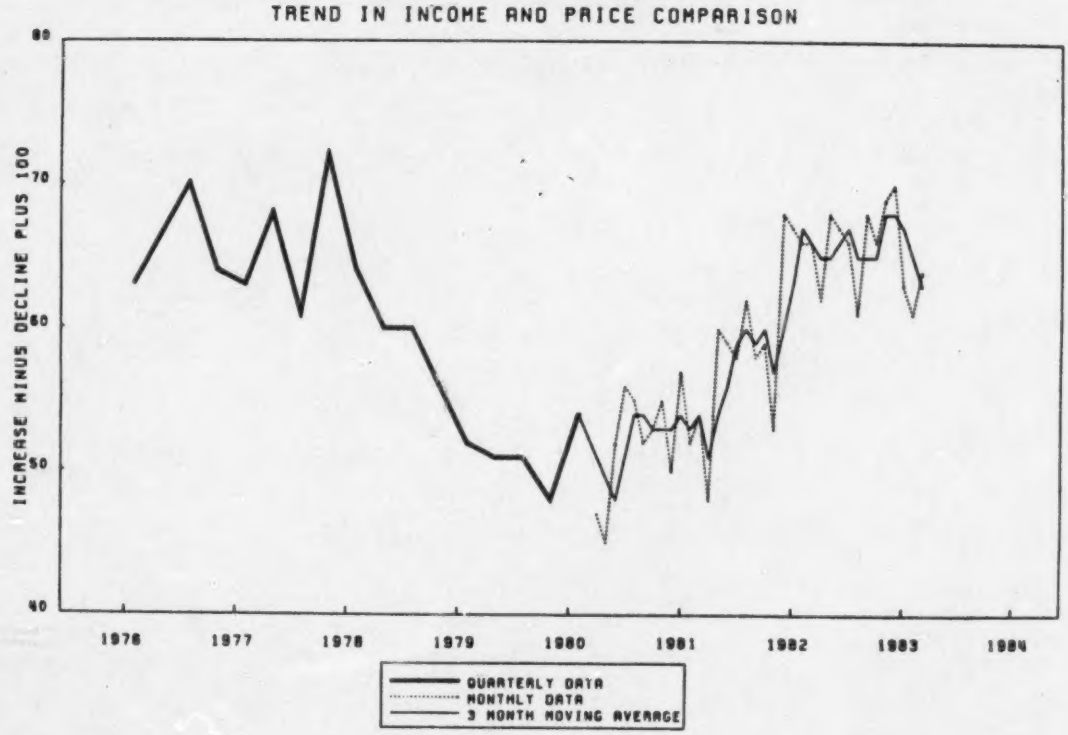


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
REAL INCOME PROGRESS:													
Continuous increase (a)	7%	8%	10%	8%	8%	8%	9%	9%	9%	8%	8%	8%	10%
Intermittent increase (b)	10	9	8	11	11	8	12	10	10	11	9	8	8
Remain unchanged (c)	20	19	20	19	19	19	18	17	19	21	18	17	15
Intermittent decline (d)	21	25	24	24	21	23	21	23	25	25	24	27	27
Continuous decline (e)	30	30	26	28	32	32	32	30	25	24	30	28	27
Mixed change (f)	8	6	9	7	5	6	5	8	7	7	7	7	9
DK,NA	4	3	3	3	4	4	3	3	5	4	4	5	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

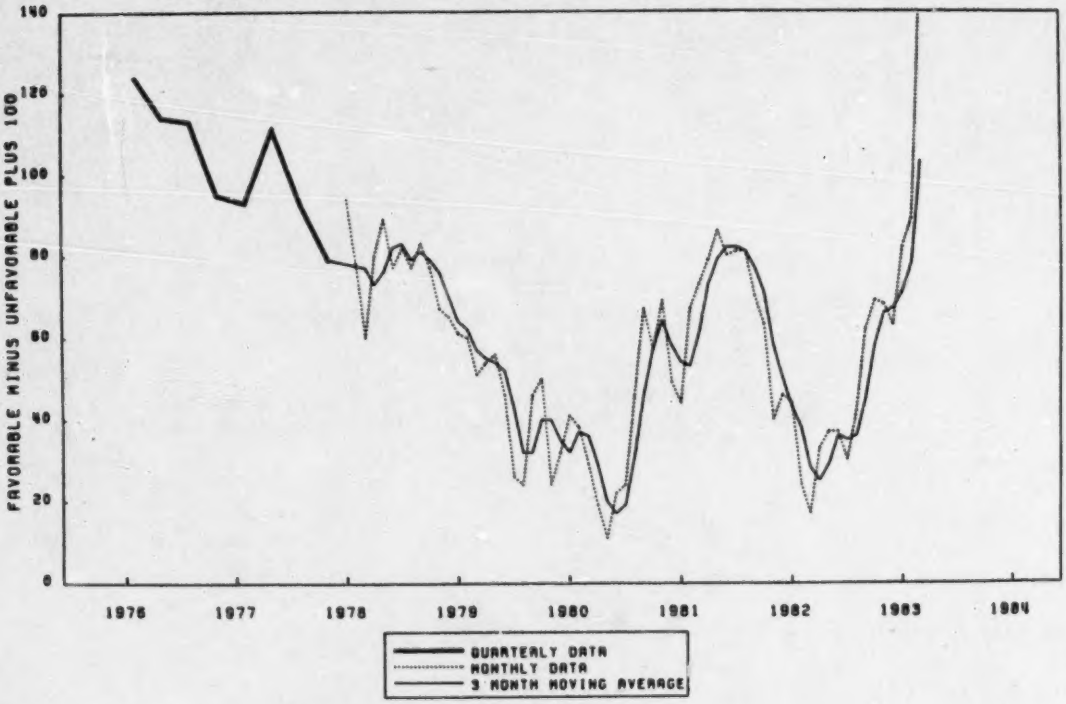


CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

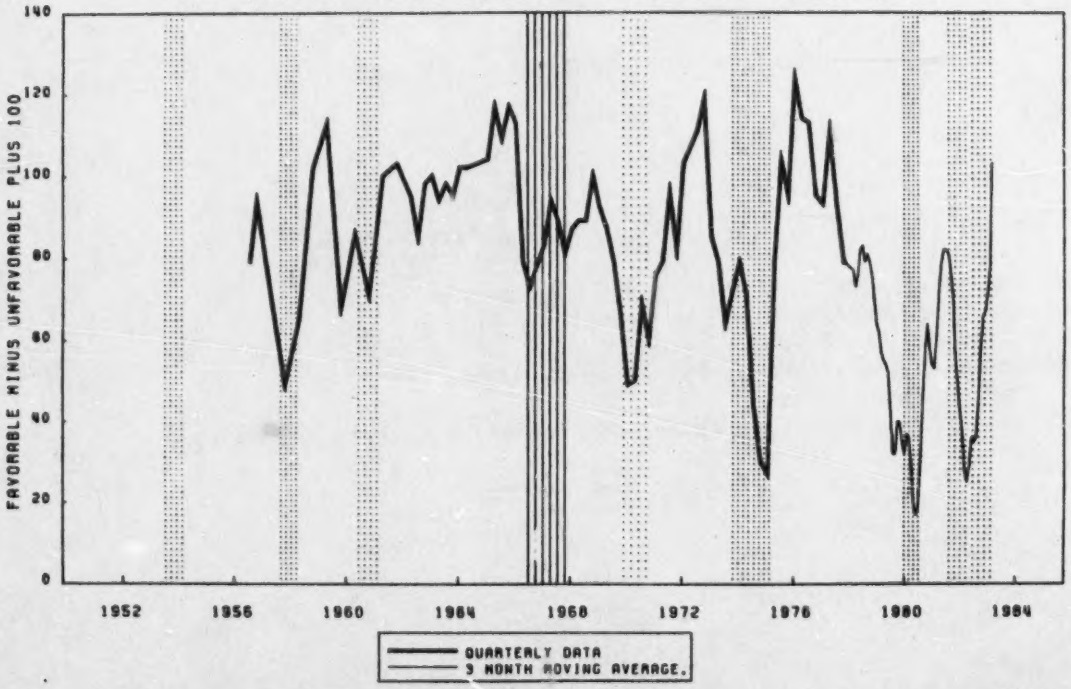


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
FAVORABLE NEWS	18%	23%	23%	24%	20%	28%	40%	39%	40%	39%	47%	49%	79%
UNFAVORABLE NEWS	101	90	86	87	90	86	78	70	72	76	65	60	40
NO MENTIONS	26	29	31	31	31	26	26	29	29	27	28	32	28

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

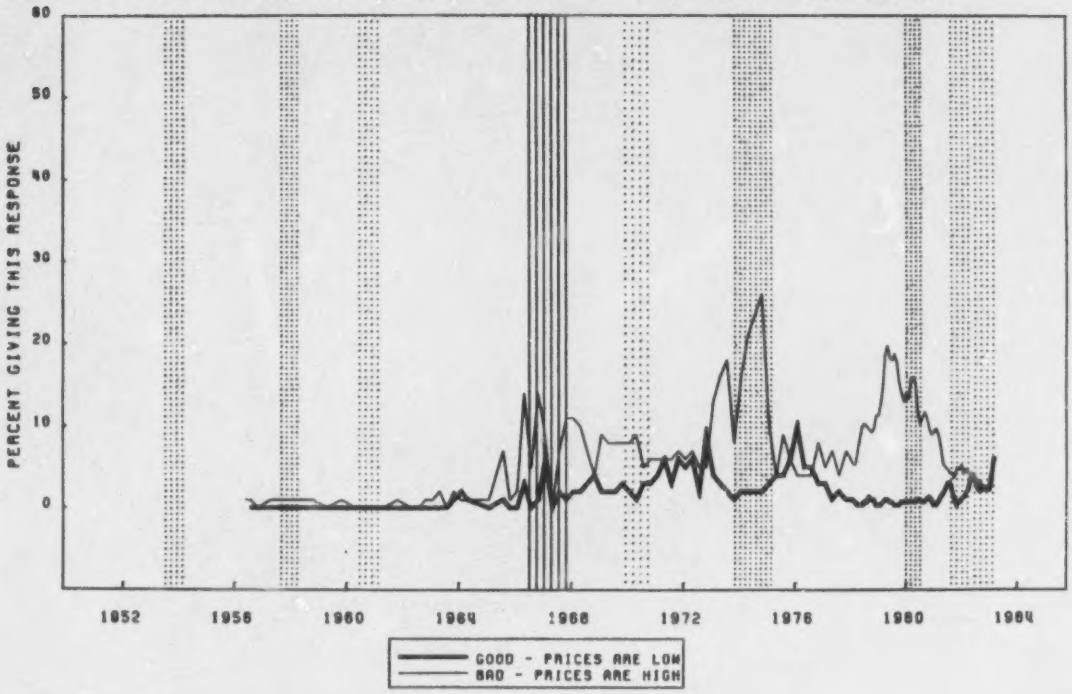


CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

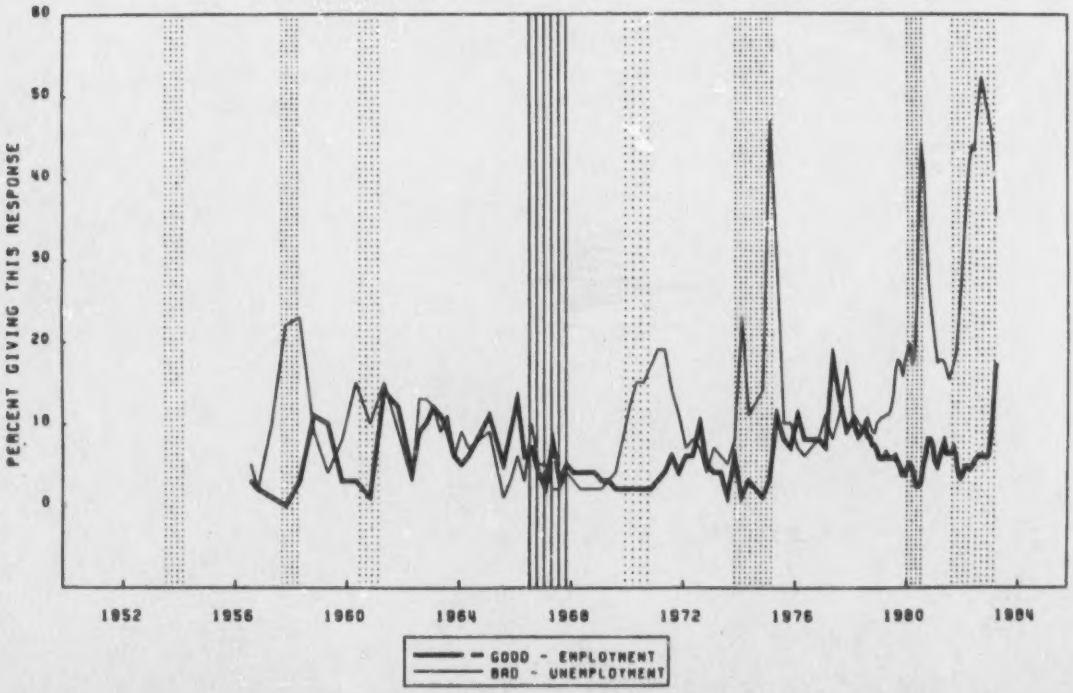


TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
FAVORABLE NEWS:													
Government; elections	4%	2%	2%	2%	2%	1%	3%	1%	2%	2%	3%	2%	2%
Employment	4	4	6	6	5	7	6	5	6	7	12	17	22
Consumer demand high	*	2	2	3	2	3	1	2	2	3	4	6	8
Prices are low	2	4	5	3	2	2	2	3	2	2	3	6	9
Credit is easy	3	5	3	2	3	9	17	17	18	15	15	9	17
UNFAVORABLE NEWS:													
Government; elections	7	5	4	4	4	4	4	3	2	3	3	4	2
Unemployment	46	41	45	44	52	53	52	48	47	49	43	39	24
Consumer demand low	12	11	8	9	8	6	5	5	7	8	5	3	3
Prices are high	5	4	4	4	3	3	4	1	3	2	3	3	2
Credit is tight	10	10	6	8	9	6	3	3	1	1	2	1	*
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

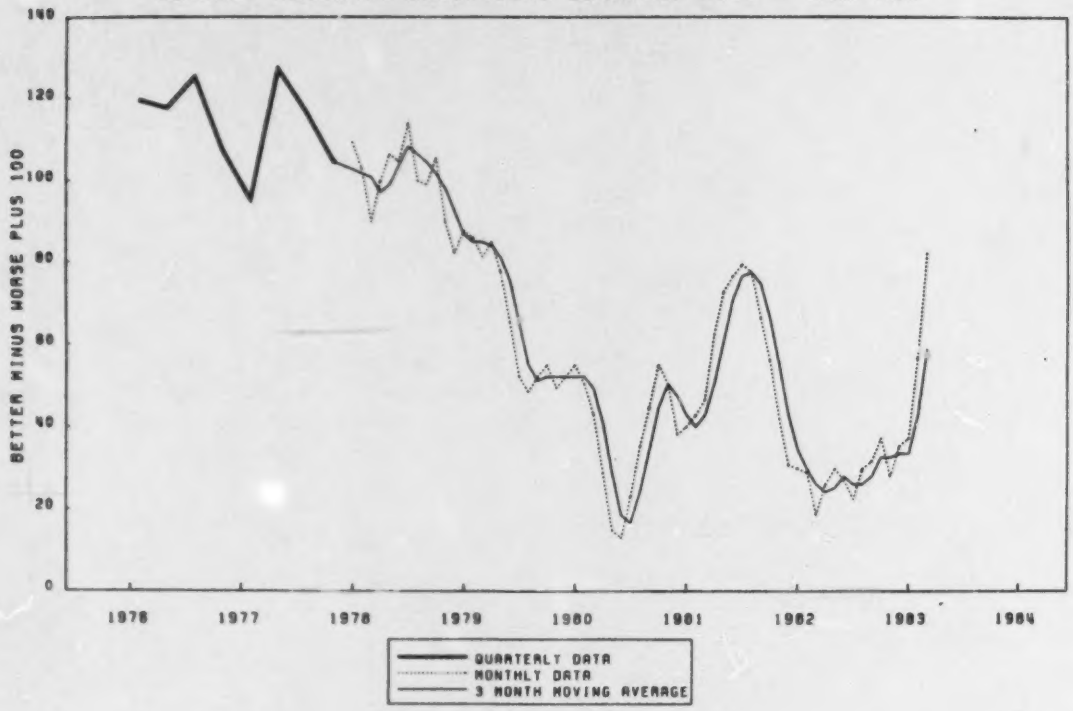


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

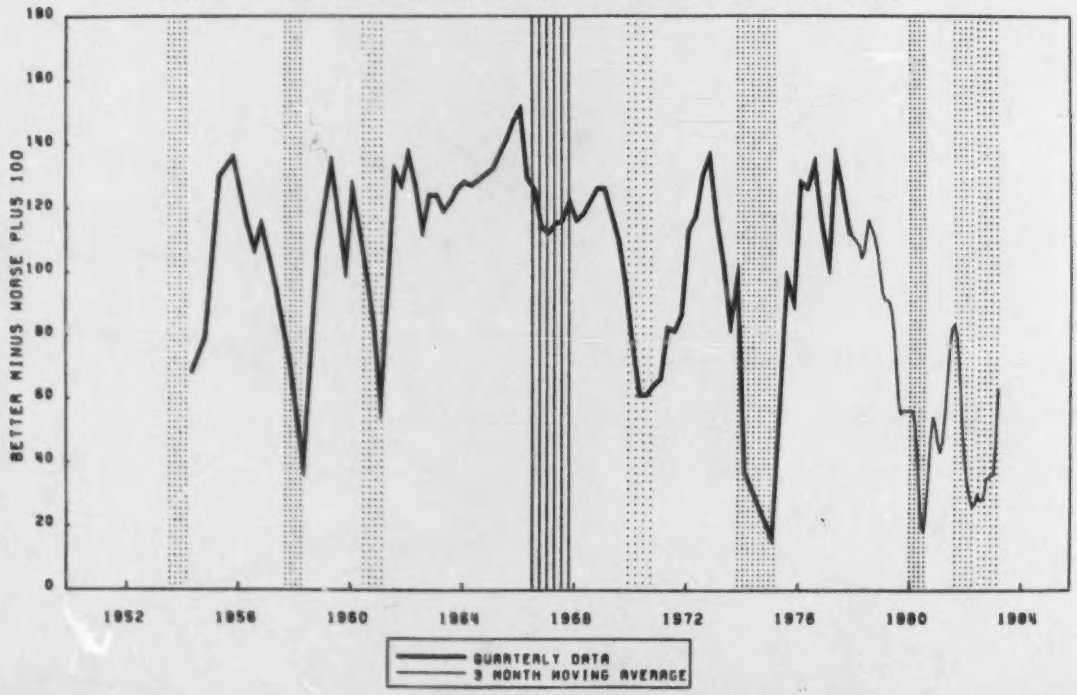


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
BETTER NOW	7%	9%	12%	11%	7%	12%	13%	15%	12%	14%	16%	26%	39%
SAME	5	9	6	6	8	6	8	9	5	9	8	8	10
WORSE NOW	87	81	80	82	83	80	79	75	82	76	76	65	51
DK,NA	1	1	2	1	2	2	*	1	1	1	*	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

* : Less than half of one percent.

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

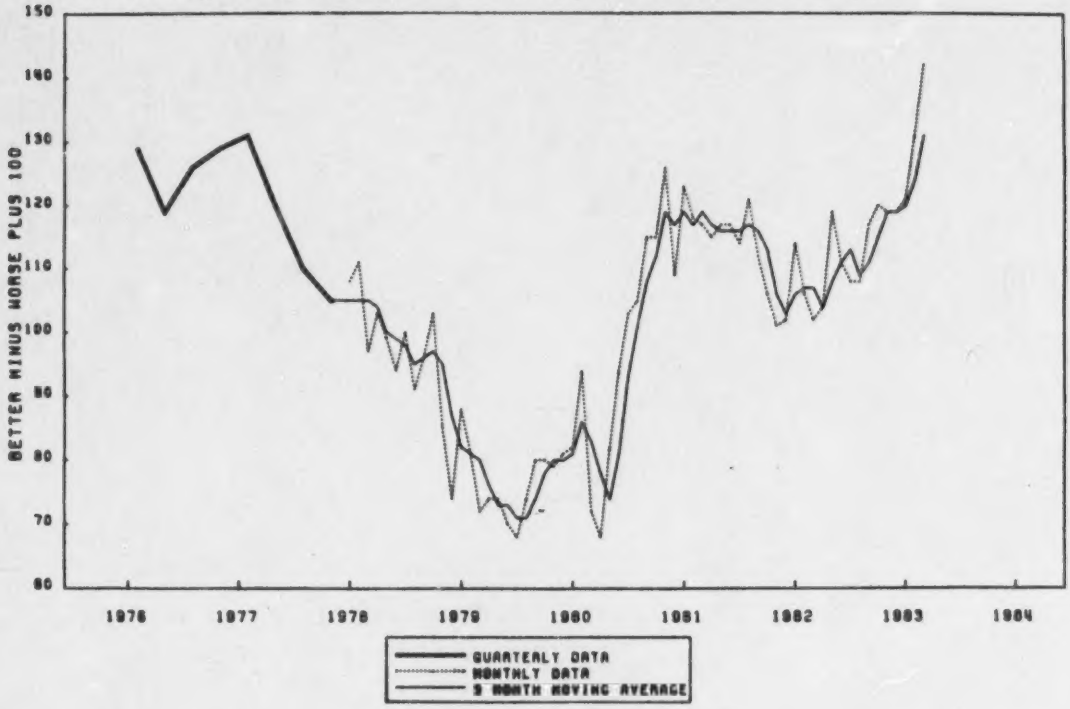


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

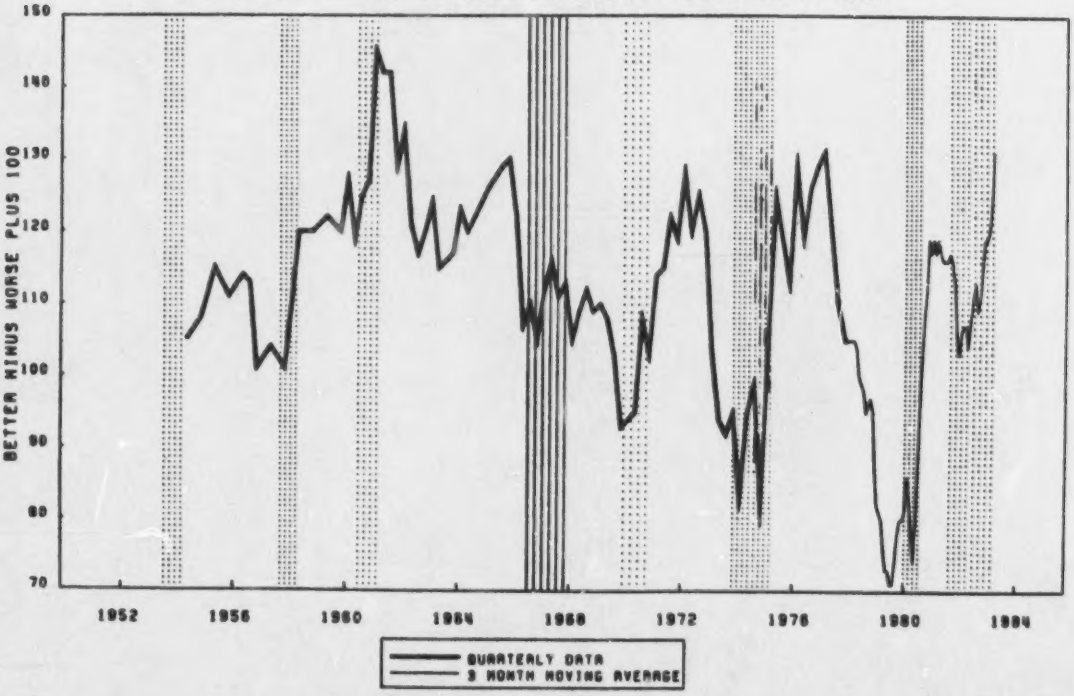


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
BETTER	29%	32%	39%	37%	33%	31%	36%	40%	38%	39%	38%	45%	51%
SAME	42	38	39	34	41	43	43	36	41	41	43	40	39
WORSE	27	28	20	26	25	23	19	20	19	20	17	14	9
DK,NA	2	2	2	3	1	3	2	4	2	*	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

* : Less than half of one percent.

CHART 16A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

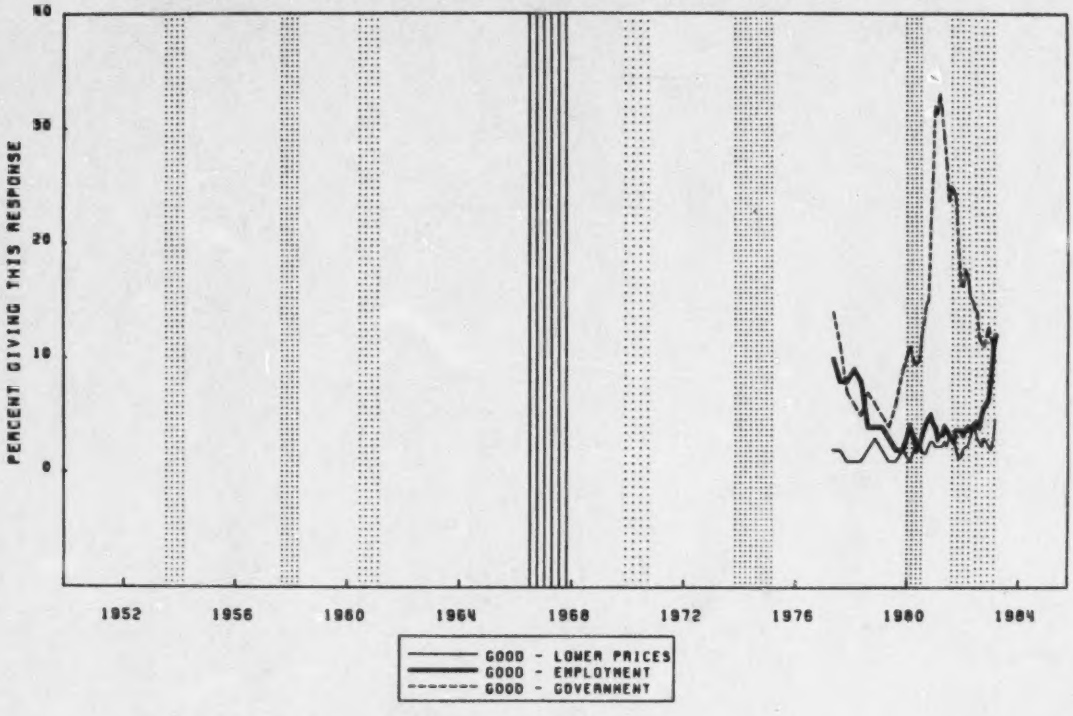


CHART 16B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

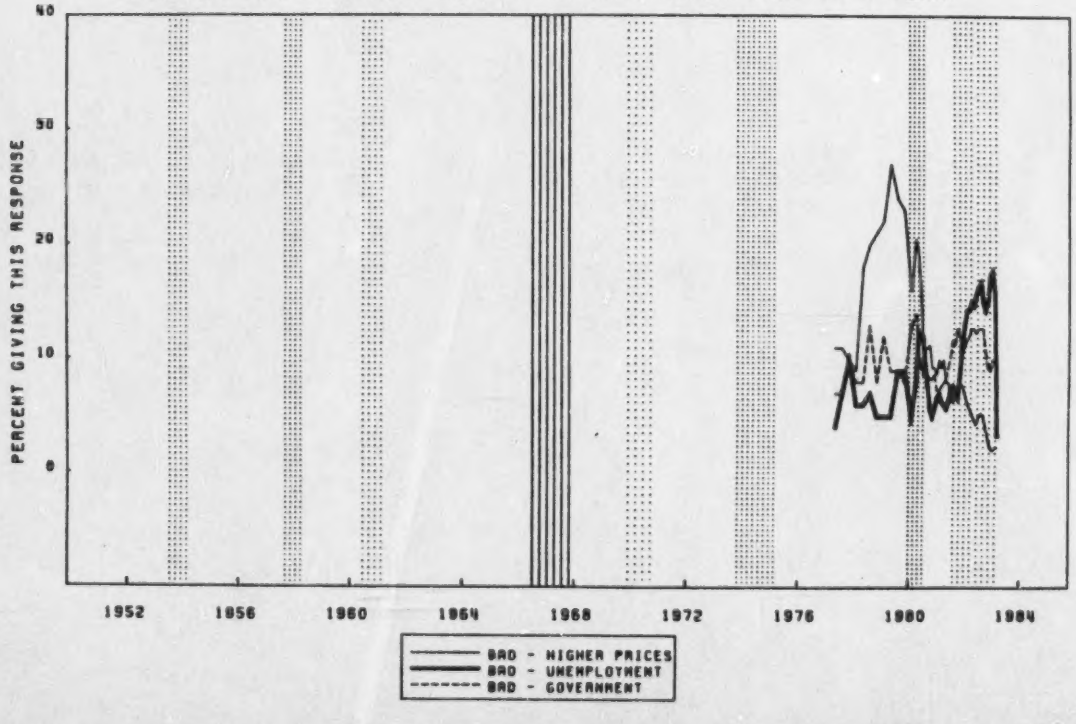


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
FAVORABLE REASONS:													
Government; elections	13%	14%	18%	11%	13%	11%	11%	11%	14%	13%	8%	11%	10%
Employment	3	4	5	4	4	4	7	6	5	8	11	13	12
Higher consumer demand	3	3	4	6	3	3	3	4	4	6	5	7	6
Lower prices	2	5	4	3	2	2	3	4	1	2	3	4	7
Easier credit	7	7	10	9	5	8	13	15	12	12	12	12	13
UNFAVORABLE REASONS:													
Government; elections	13	13	12	12	14	12	12	8	8	11	11	7	5
Unemployment	15	14	15	18	16	16	13	14	18	20	15	13	10
Lower consumer demand	9	7	4	6	5	3	5	3	5	5	4	4	2
Higher prices	6	4	4	5	6	5	4	3	2	2	2	3	2
Tighter credit	7	5	6	10	9	6	7	3	3	2	2	2	1
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

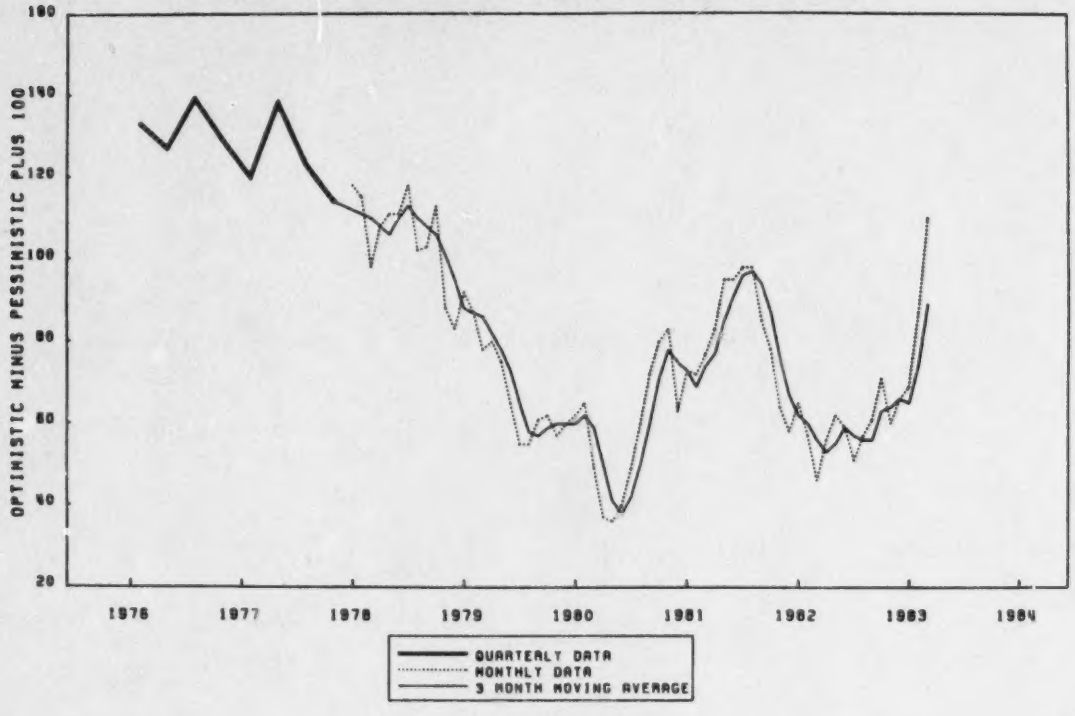


CHART 17 - HISTORICAL SERIES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

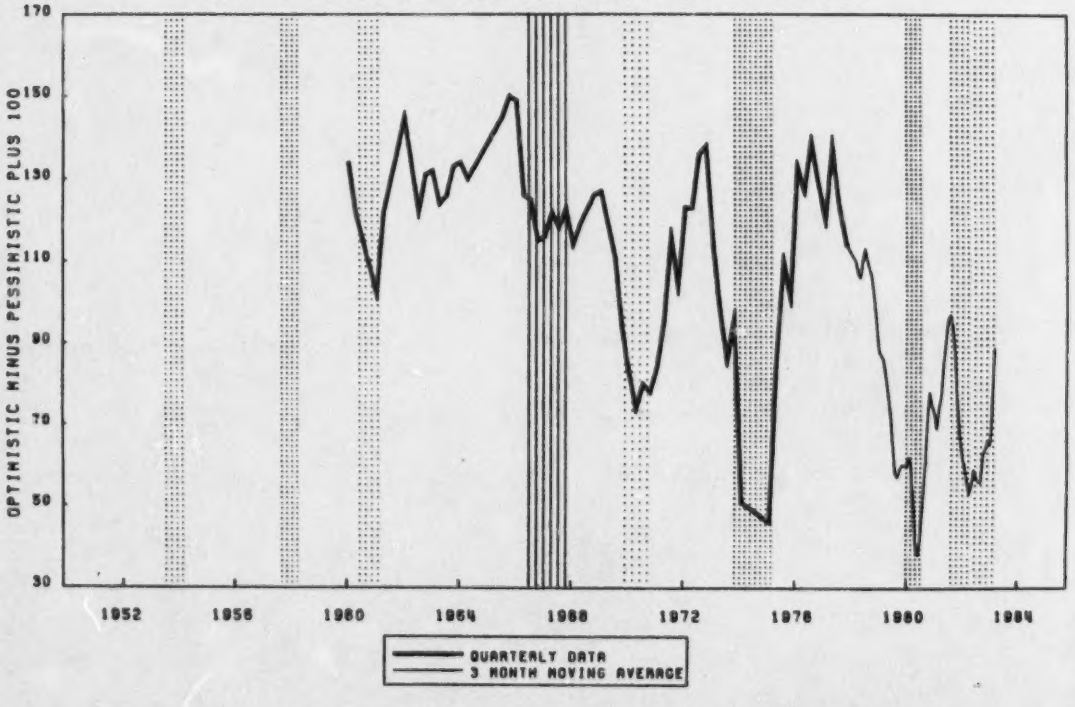


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
TREND:													
Continuous increase (a)	4%	5%	8%	6%	5%	7%	8%	10%	8%	8%	11%	18%	28%
Intermittent increase (b)	5	7	6	6	5	7	6	9	7	9	9	11	15
Remain unchanged (c)	2	4	3	2	3	3	4	3	1	4	3	4	4
Intermittent decline (d)	37	30	33	29	36	35	36	29	37	33	35	29	25
Continuous decline (e)	26	26	19	24	23	22	17	19	18	18	16	13	8
Mixed change (f)	23	24	28	30	25	22	27	26	27	27	24	23	18
DK,NA	3	4	3	3	3	4	2	4	2	1	2	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

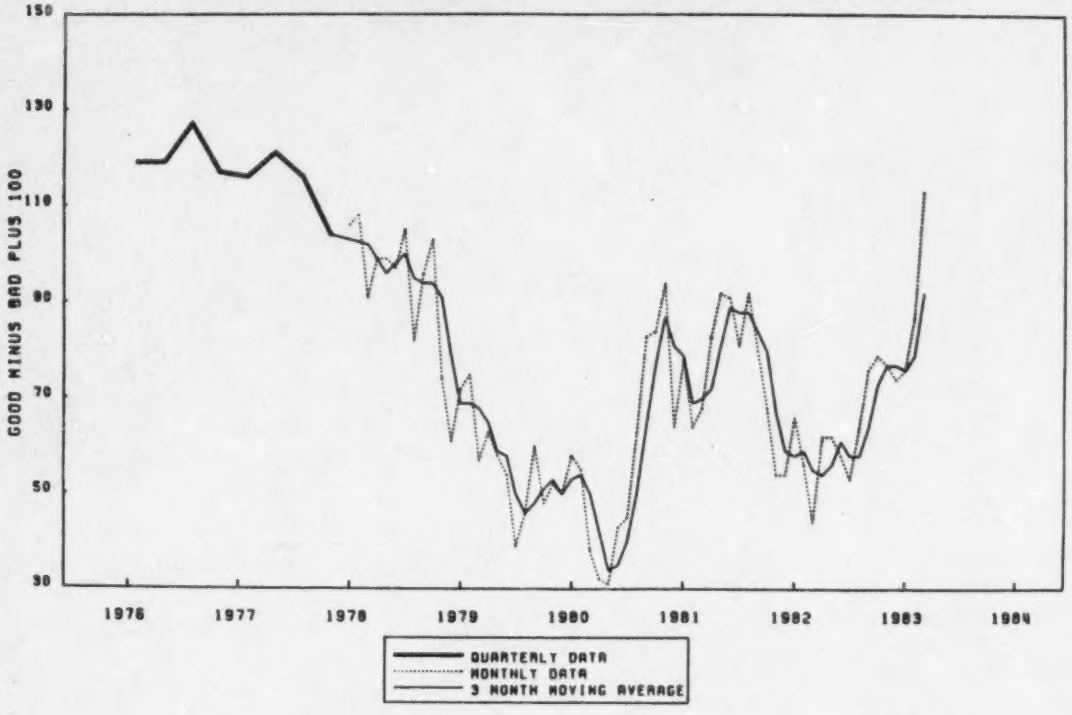


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

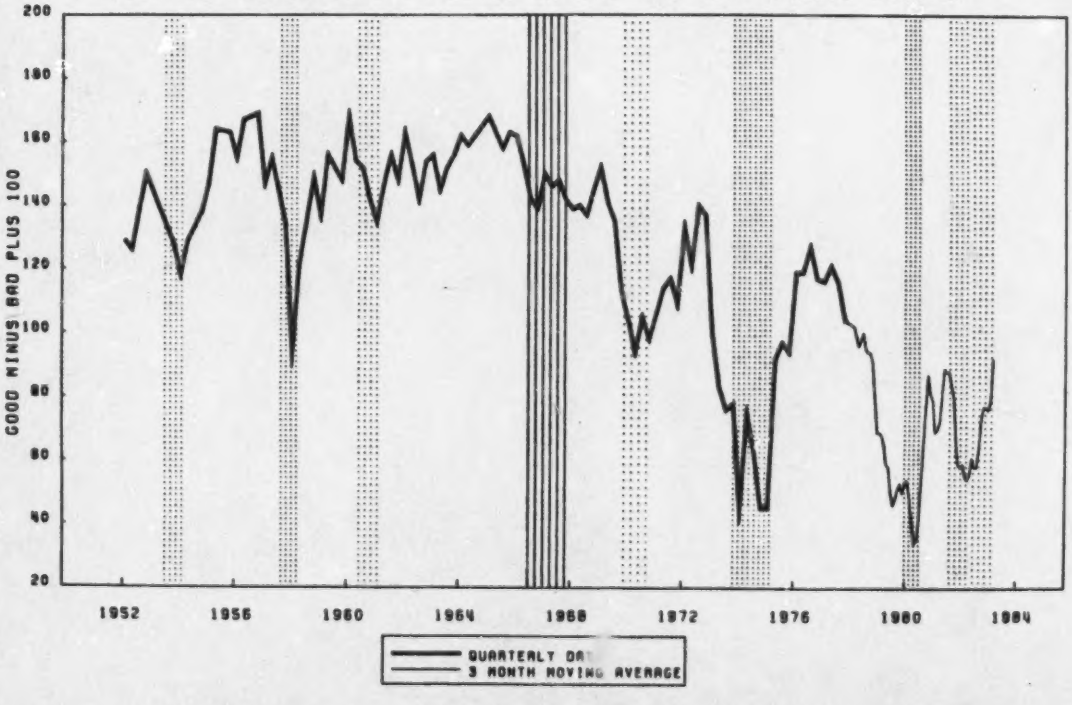


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GOOD TIMES	17%	28%	27%	25%	23%	26%	33%	35%	33%	32%	34%	39%	52%
UNCERTAIN; GOOD & BAD	2	1	1	1	2	5	4	3	4	2	1	1	2
BAD TIMES	73	66	65	67	70	62	57	56	56	58	58	52	39
DON'T KNOW	3	4	4	4	3	3	4	4	3	5	3	3	4
NOT ASCERTAINED	5	1	3	3	2	4	2	2	4	3	4	5	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

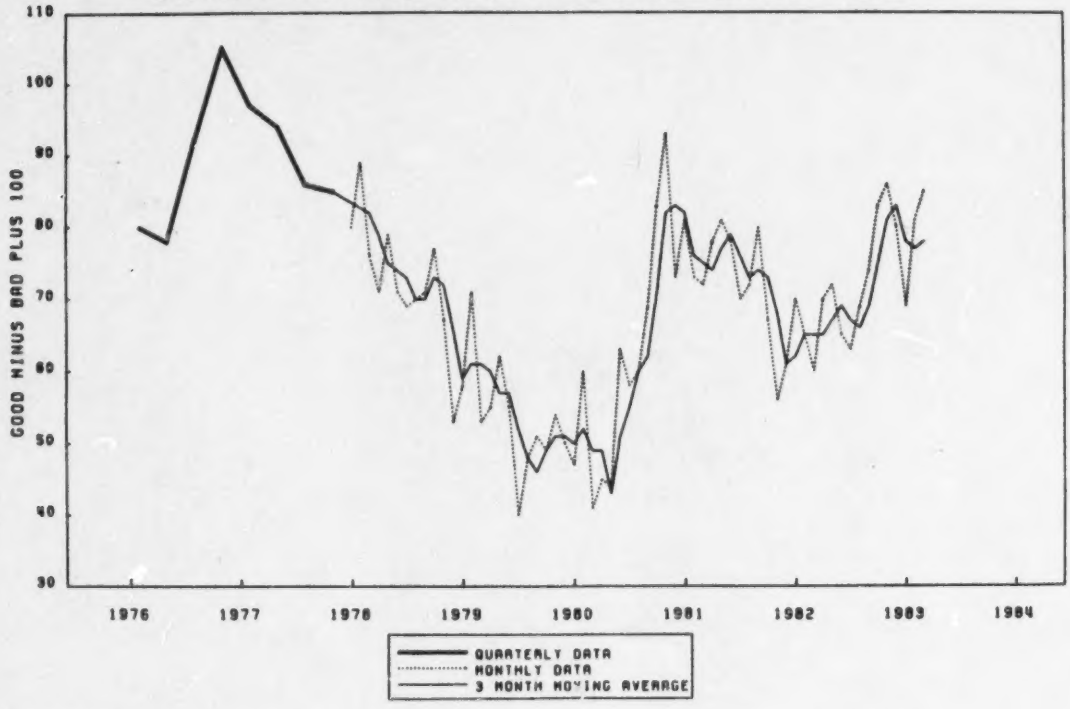


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

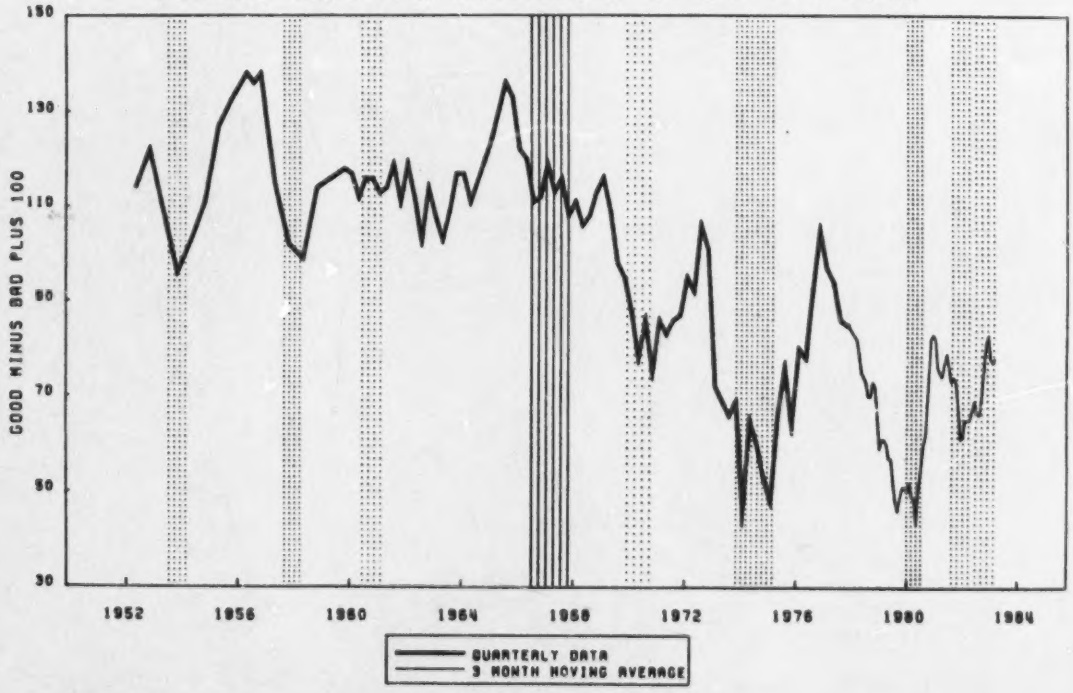


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GOOD TIMES	22%	25%	27%	24%	22%	23%	28%	32%	33%	29%	26%	31%	33%
UNCERTAIN; GOOD & BAD	13	13	13	12	15	15	14	14	14	14	12	13	15
BAD TIMES	62	55	55	59	59	54	54	49	47	49	57	50	48
NOT ASCERTAINED	3	7	5	5	4	8	4	5	6	8	5	6	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

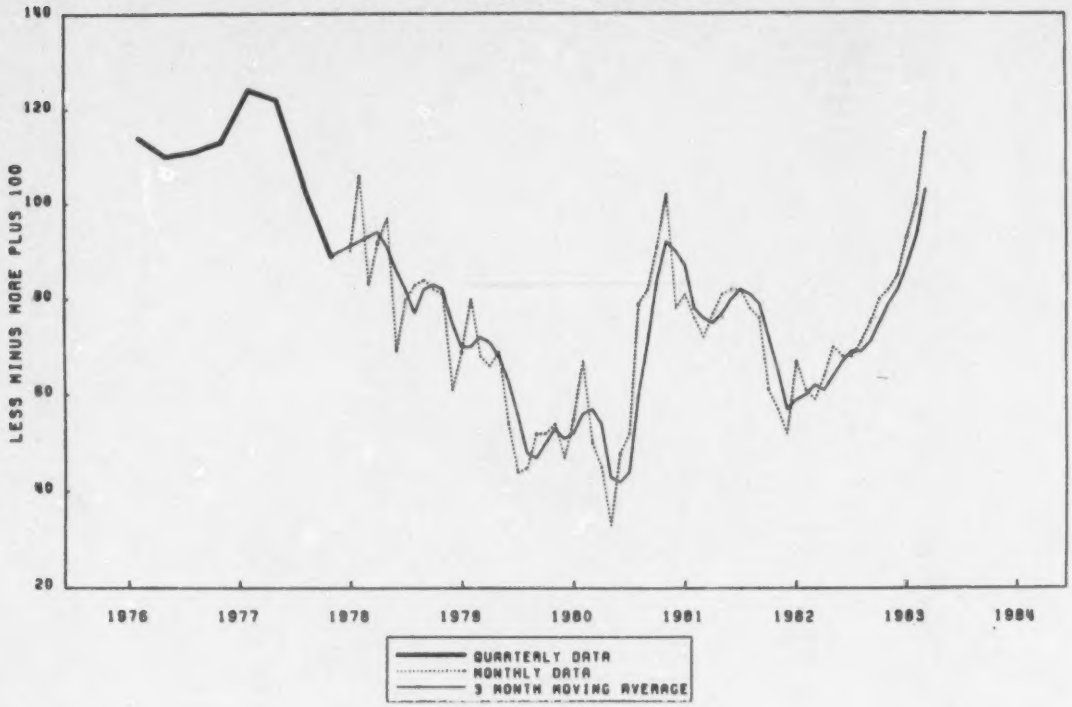


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

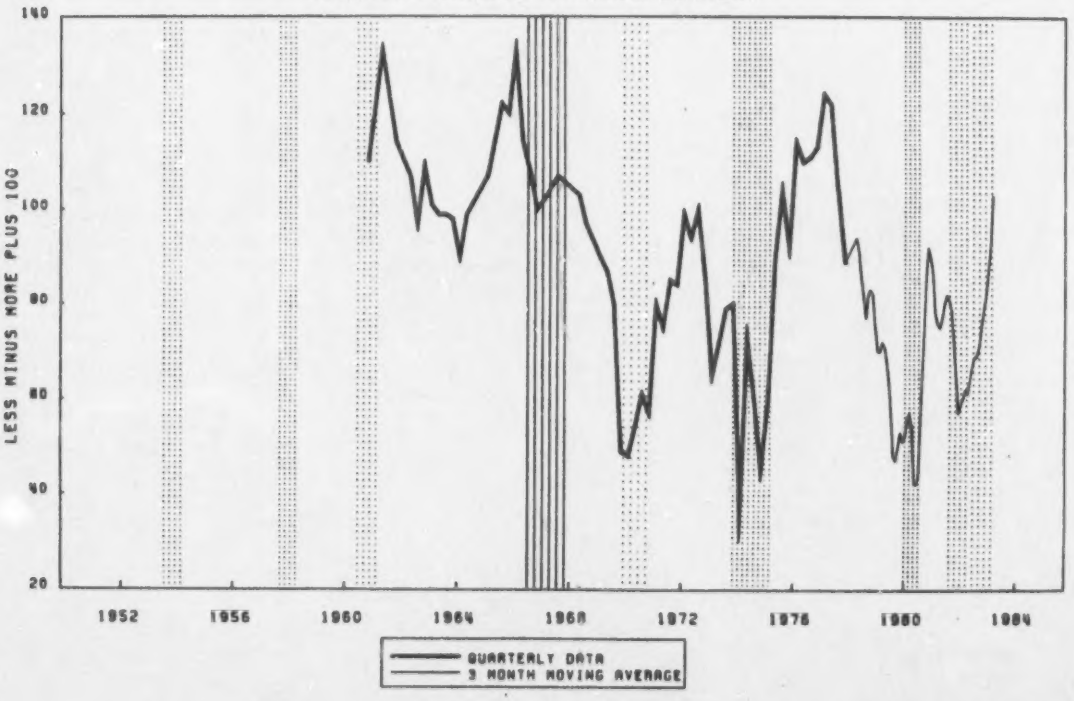


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
LESS	13%	14%	17%	16%	16%	17%	18%	21%	19%	22%	23%	29%	36%
SAME	32	34	35	35	35	35	38	36	42	40	45	41	43
MORE	54	50	47	48	48	46	43	41	37	37	30	29	21
DK,NA	1	2	1	1	1	2	1	2	2	1	2	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

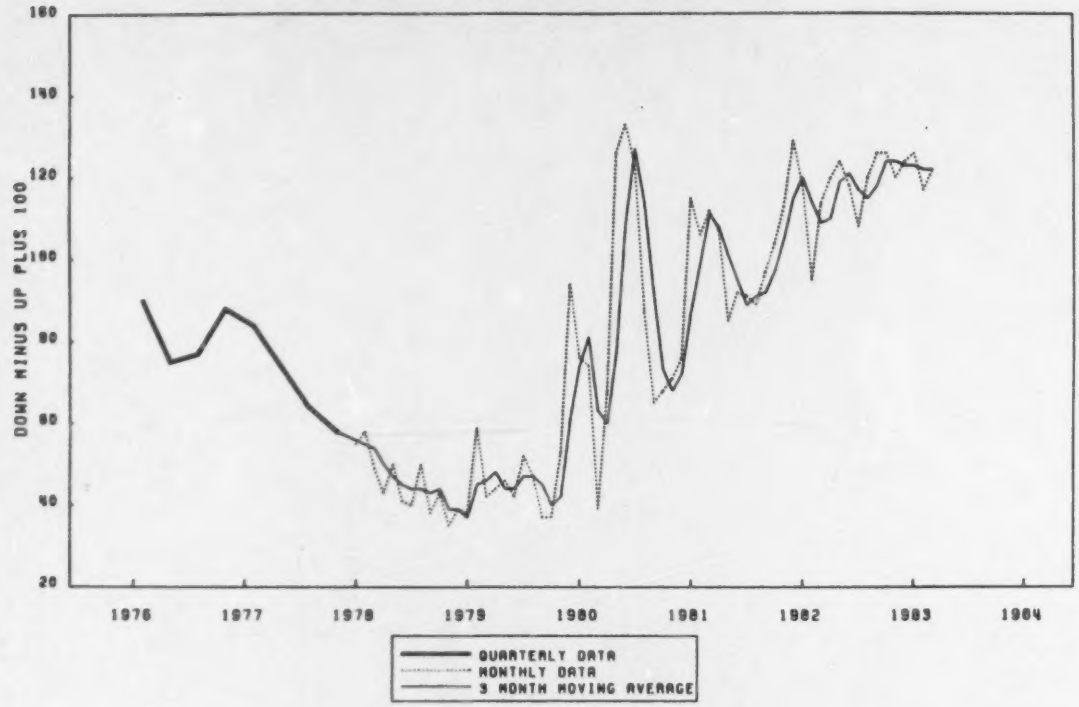


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

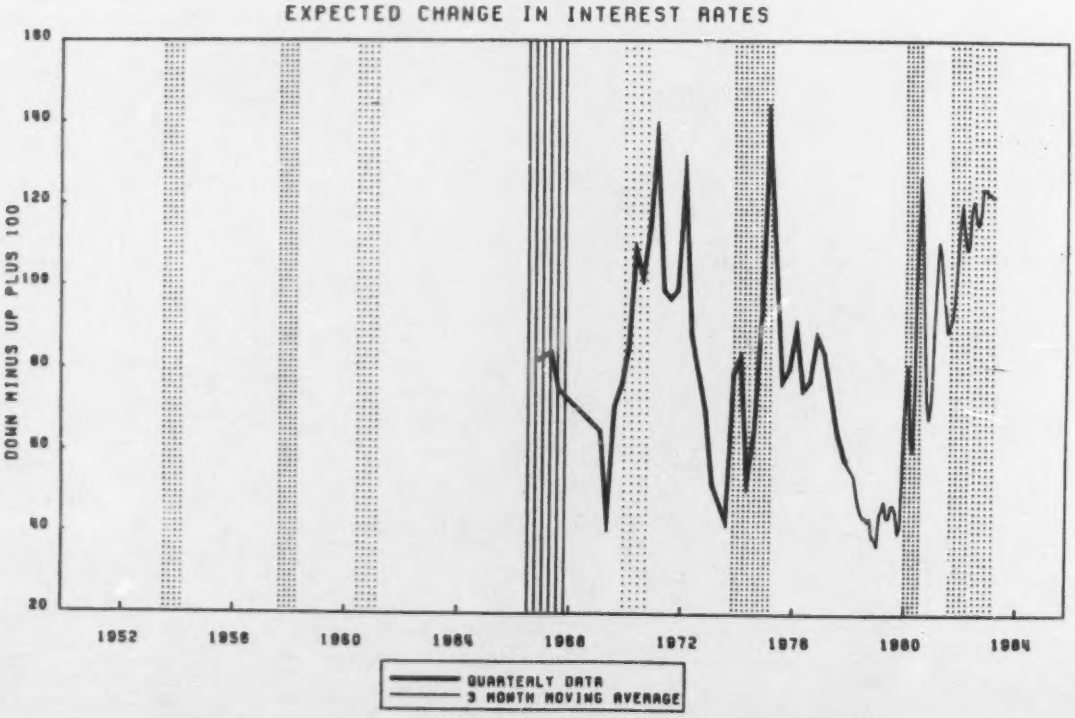


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GO UP	25%	22%	19%	21%	24%	21%	22%	22%	25%	20%	18%	24%	19%
STAY THE SAME	33	33	34	37	41	34	26	26	26	33	35	32	38
GO DOWN	39	42	43	39	32	41	48	48	45	44	44	41	41
DK,NA	3	3	4	3	3	4	4	4	4	3	3	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS

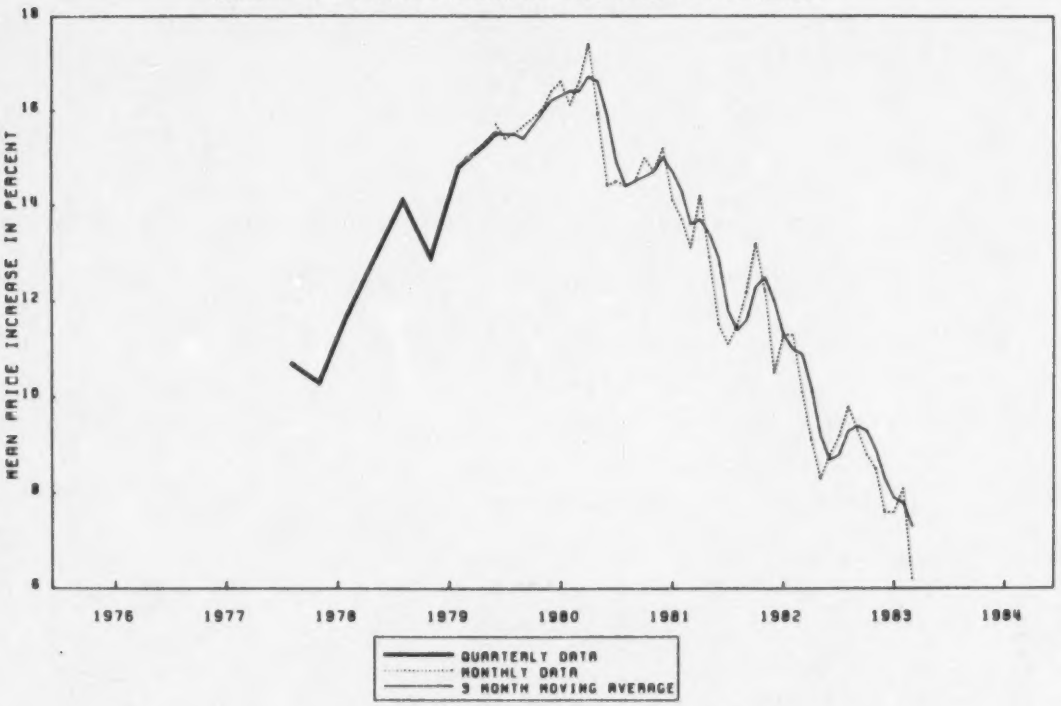


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
SAME OR DOWN	15%	15%	23%	14%	12%	12%	16%	20%	20%	20%	23%	24%	31%
GONE UP BY:													
1-2%	5	4	2	8	6	5	6	4	5	6	7	5	6
3-4%	7	7	11	10	8	8	10	7	9	9	11	10	10
5%	13	12	12	12	14	11	12	13	15	17	17	15	12
6-9%	12	14	13	14	13	16	14	12	12	12	9	10	9
10-14%	24	24	16	21	22	24	19	22	14	17	15	14	15
15% or more	19	17	17	16	18	17	16	14	18	14	12	16	11
DK how much up	5	7	6	5	6	6	7	7	6	5	5	5	5
DK,NA	*	*	*	*	1	1	*	1	1	*	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	10.1	9.1	8.3	8.8	9.2	9.8	9.3	8.8	8.5	7.6	7.6	8.1	6.2
VARIANCE	114	83	96	93	87	96	115	106	102	82	108	113	71
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

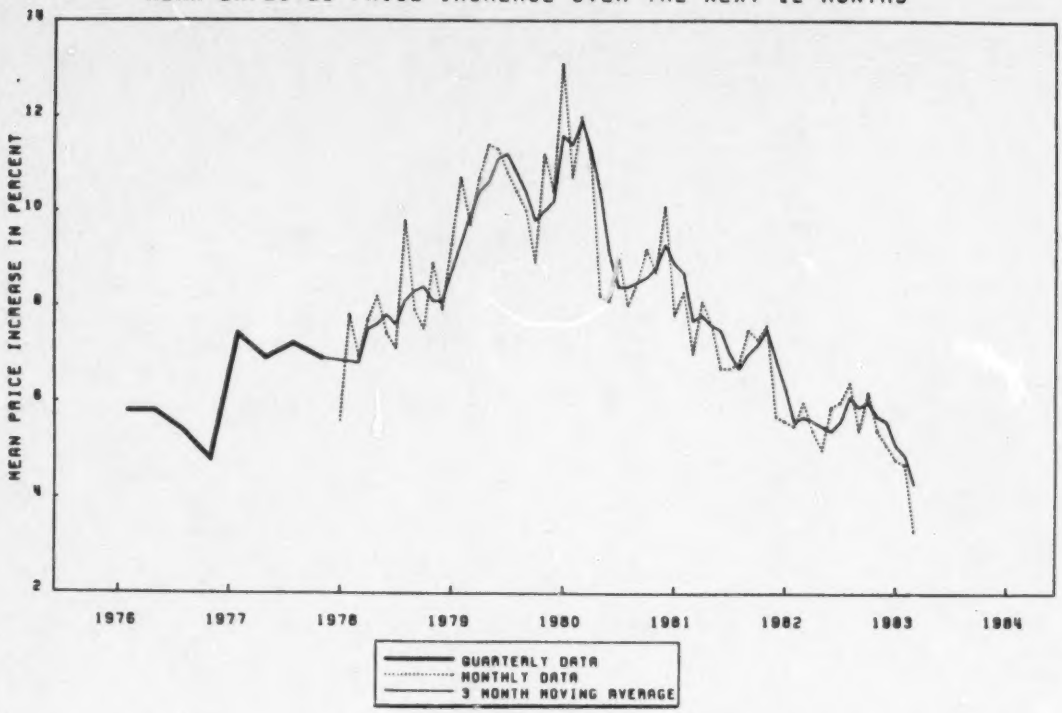


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

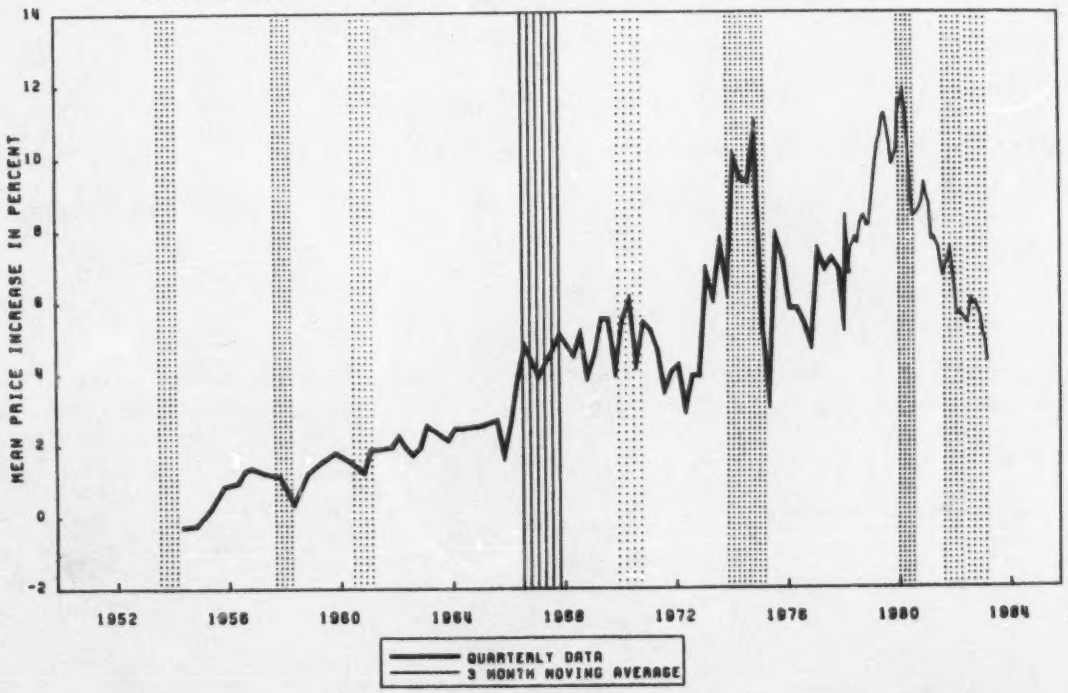


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
SAME OR DOWN	32%	33%	36%	30%	23%	23%	31%	31%	32%	33%	35%	36%	44%
WILL GO UP BY:													
1-2%	7	4	6	7	7	8	7	5	5	6	10	8	9
3-4%	11	7	9	10	10	12	9	8	10	13	11	12	12
5%	11	16	15	14	17	16	14	14	15	15	16	15	14
6-9%	12	10	11	10	15	12	13	11	11	9	7	9	5
10-14%	12	16	8	16	14	13	12	15	12	11	9	8	8
15% or more	11	8	8	8	7	11	7	9	9	8	7	7	4
DK how much up	2	3	4	3	5	3	5	5	3	3	3	3	3
DK,NA	2	3	3	2	2	2	2	2	3	2	2	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	6.0	5.4	5.0	5.9	6.0	6.4	5.4	6.2	5.4	5.1	4.8	4.7	3.3
VARIANCE	85	54	58	71	53	65	59	82	55	56	67	60	33
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

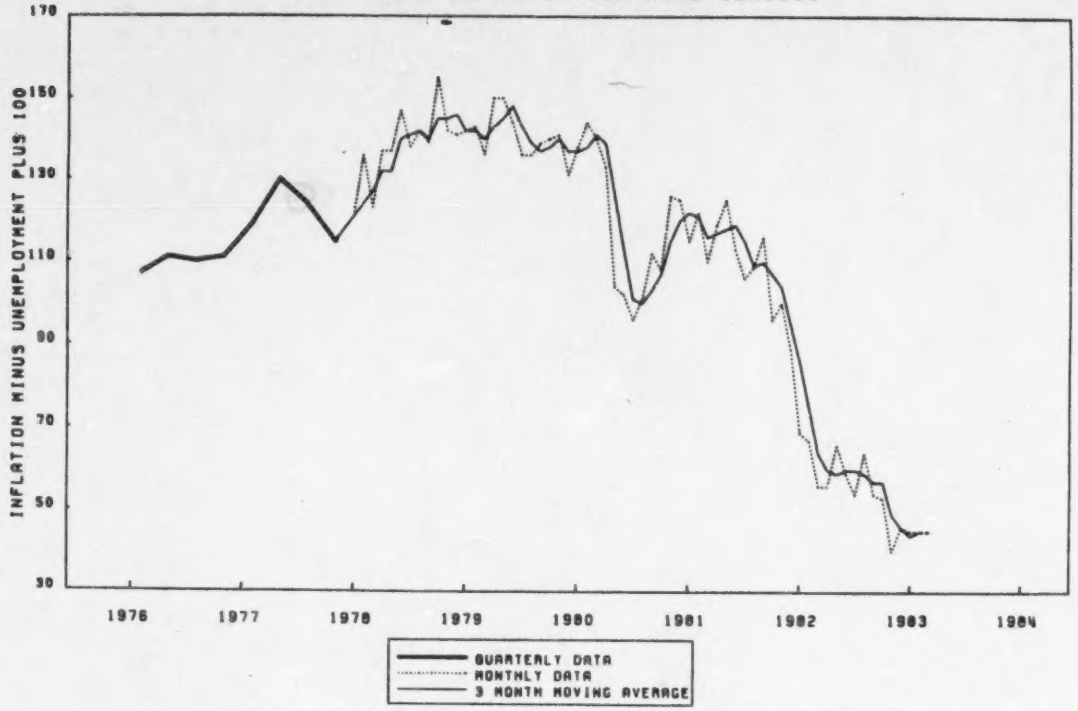


CHART 24 - HISTORICAL SERIES
UNEMPLOYMENT OR INFLATION MORE SERIOUS

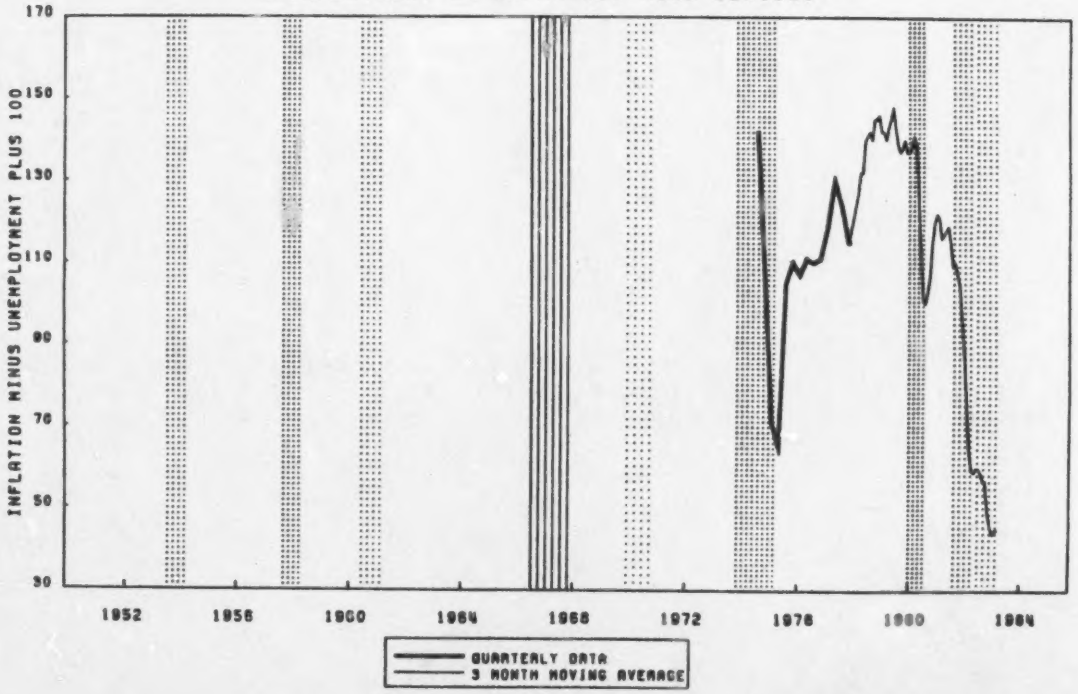


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
UNEMPLOYMENT	66%	65%	62%	64%	67%	62%	68%	67%	76%	72%	74%	73%	73%
BOTH EQUALLY SERIOUS	11	13	9	12	11	11	9	11	7	9	5	8	8
INFLATION	22	21	28	23	21	26	22	20	16	18	19	18	18
DK,NA	1	1	1	1	1	1	1	2	1	1	2	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

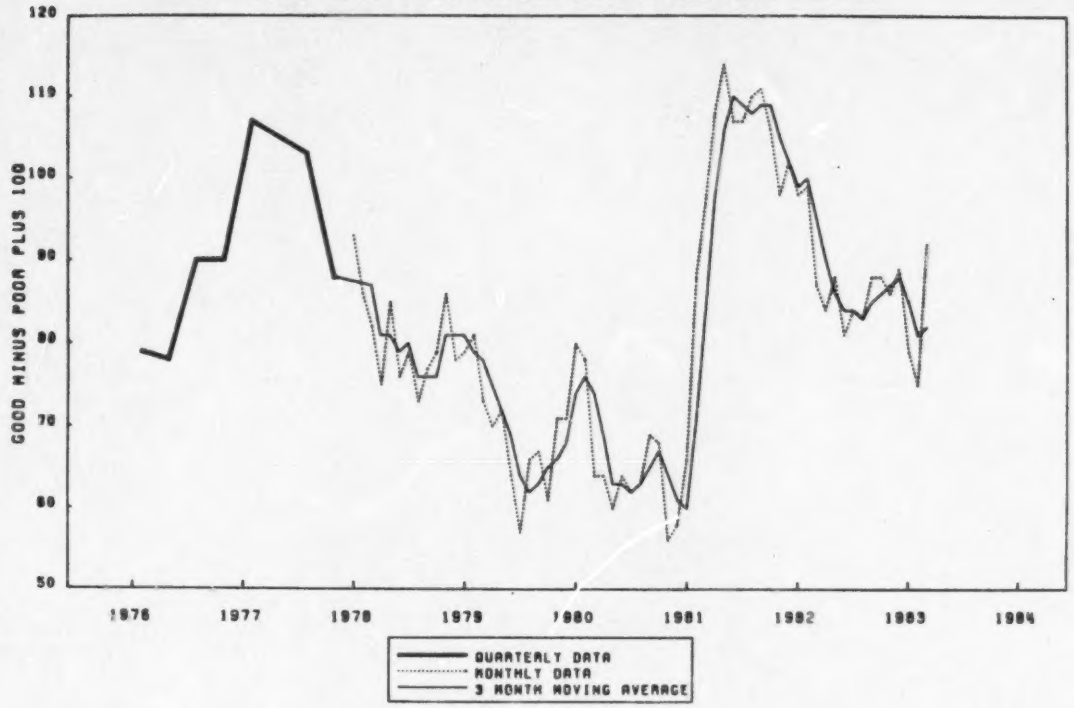


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

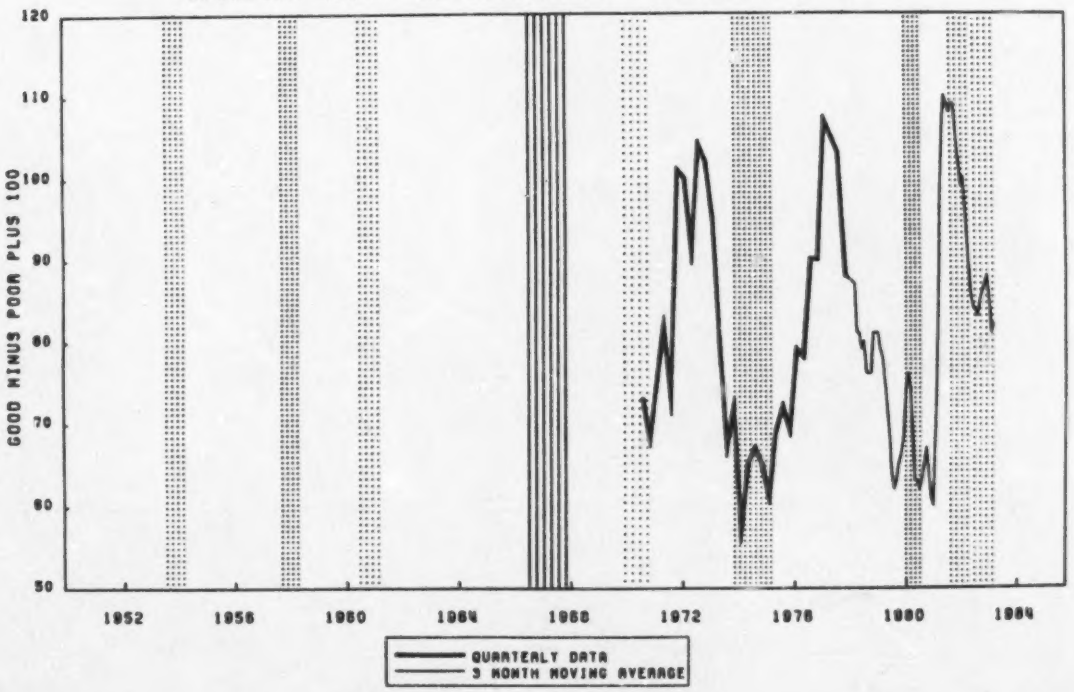


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
A GOOD JOB	18%	22%	20%	16%	18%	17%	19%	21%	19%	19%	16%	16%	21%
ONLY FAIR	48	37	46	46	46	45	46	41	45	47	45	40	48
A POOR JOB	31	38	32	35	34	34	31	33	33	30	37	41	29
DK,NA	3	3	2	3	2	4	4	5	3	4	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

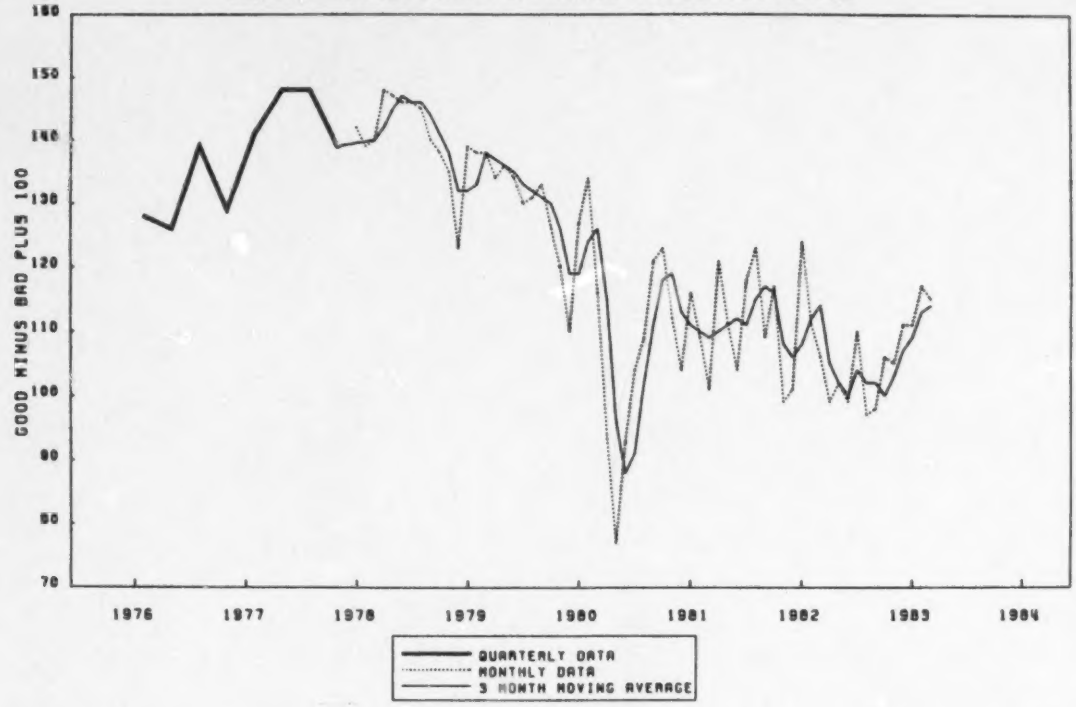


CHART 26 - HISTORICAL SERIES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

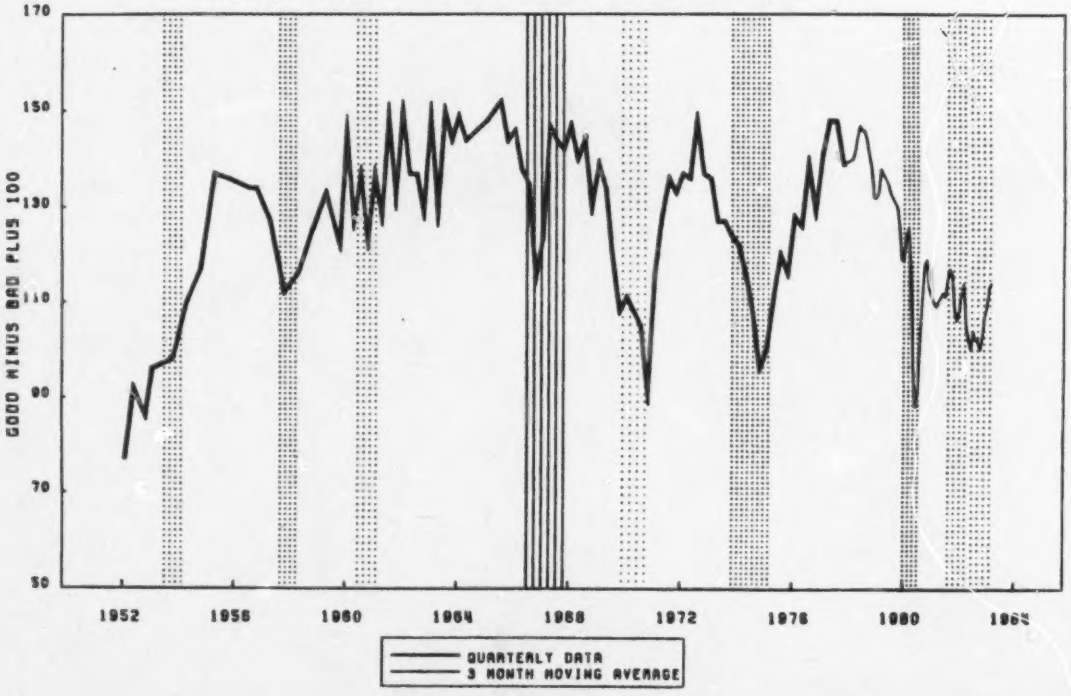


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GOOD TIME TO BUY	48%	41%	45%	43%	48%	41%	42%	46%	47%	50%	51%	54%	53%
UNCERTAIN, DEPENDS	10	17	12	13	14	15	14	14	11	11	9	9	9
BAD TIME TO BUY	42	42	43	44	38	44	44	40	42	39	40	37	38
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

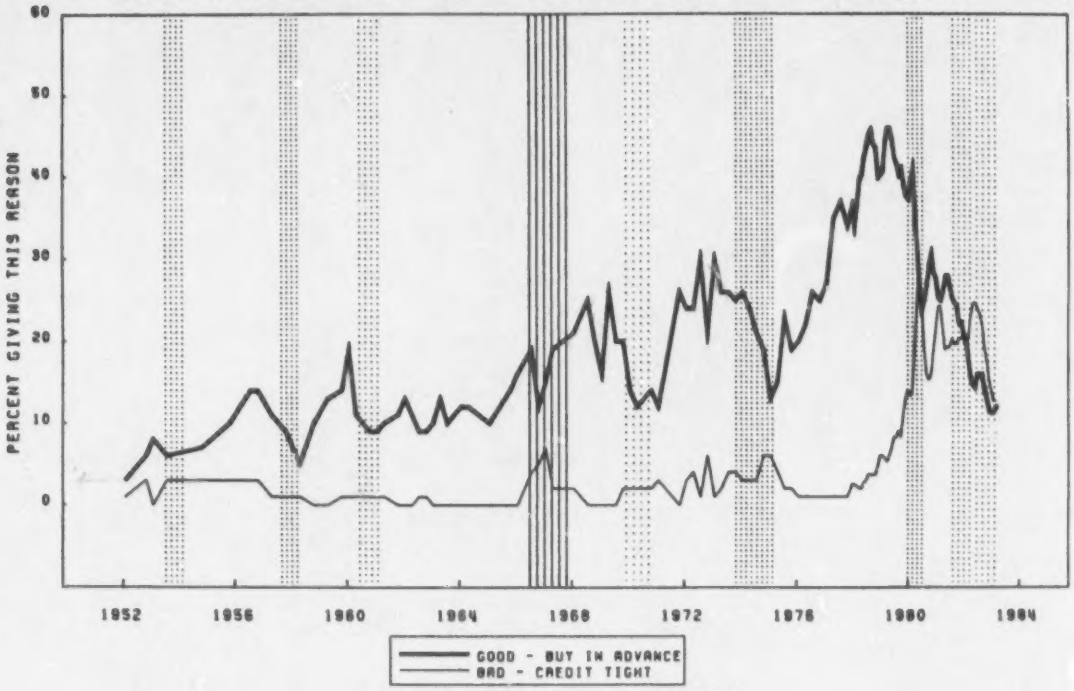


CHART 27B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

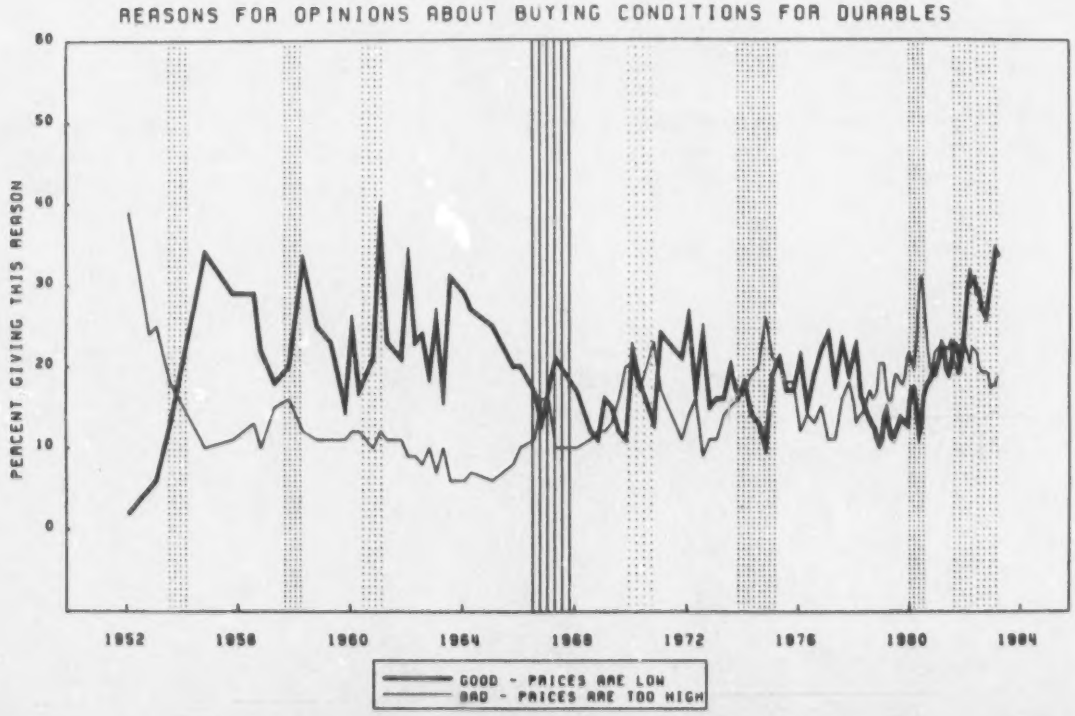


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GOOD TIME TO BUY:													
Prices are low; good buys available	32%	29%	31%	27%	30%	24%	26%	28%	31%	32%	33%	38%	30%
Prices won't come down; are going higher	15	14	15	14	19	15	14	14	11	10	13	11	12
Interest rates low; credit is easy	1	1	3	2	2	2	4	5	5	8	7	8	12
BAD TIME TO BUY:													
Prices are high	22	23	21	21	18	19	21	18	18	16	19	18	19
Interest rates are high; credit is tight	24	26	24	24	24	22	20	16	17	13	12	13	13
Lack of purchasing power	18	19	20	21	19	21	21	21	24	21	22	16	18

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

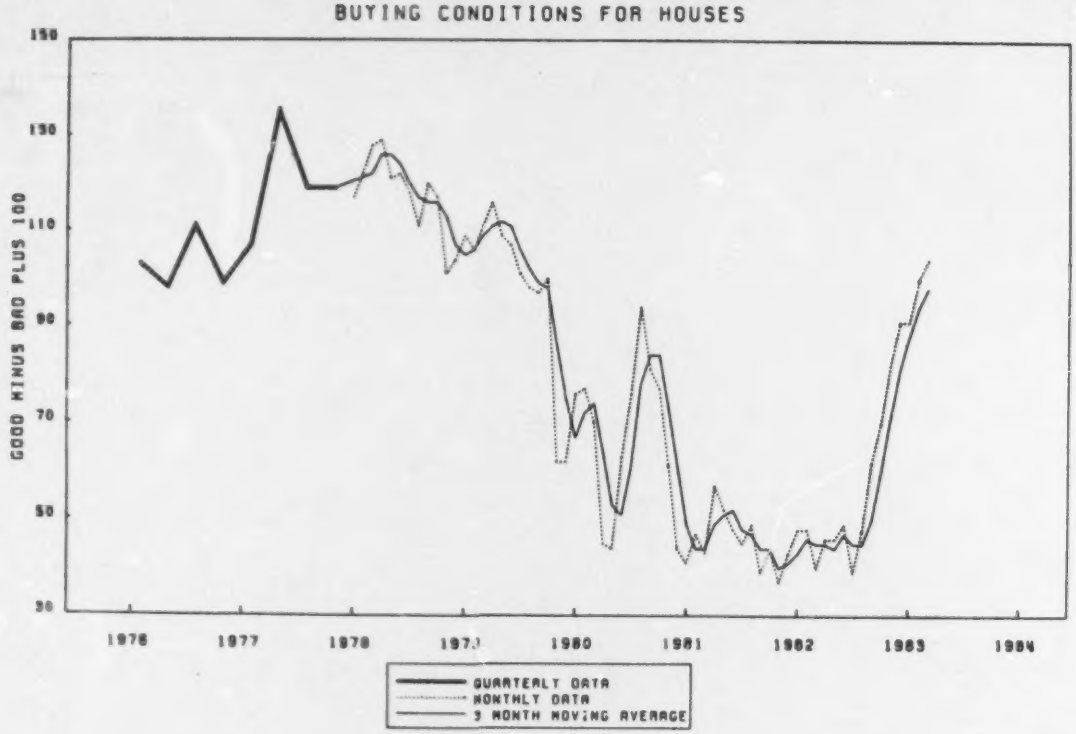


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

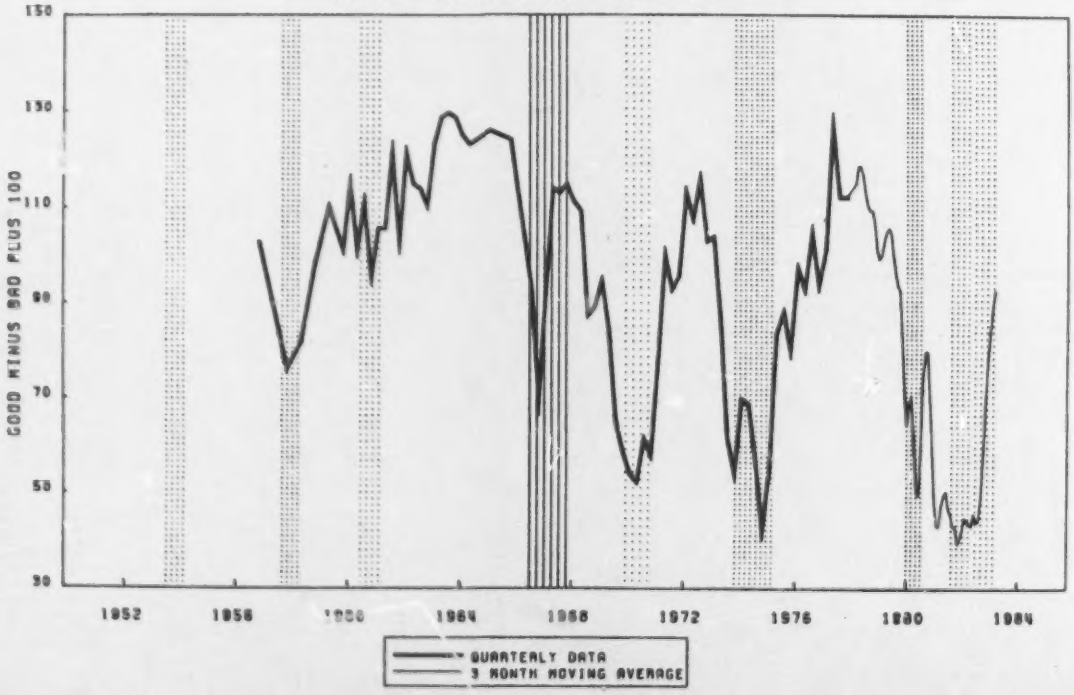


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GOOD TIME TO BUY	17%	20%	19%	21%	15%	20%	28%	32%	38%	44%	44%	49%	51%
UNCERTAIN, DEPENDS	6	6	8	7	9	8	6	6	6	3	3	2	2
BAD TIME TO BUY	77	74	73	72	76	72	66	62	56	53	53	49	47
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

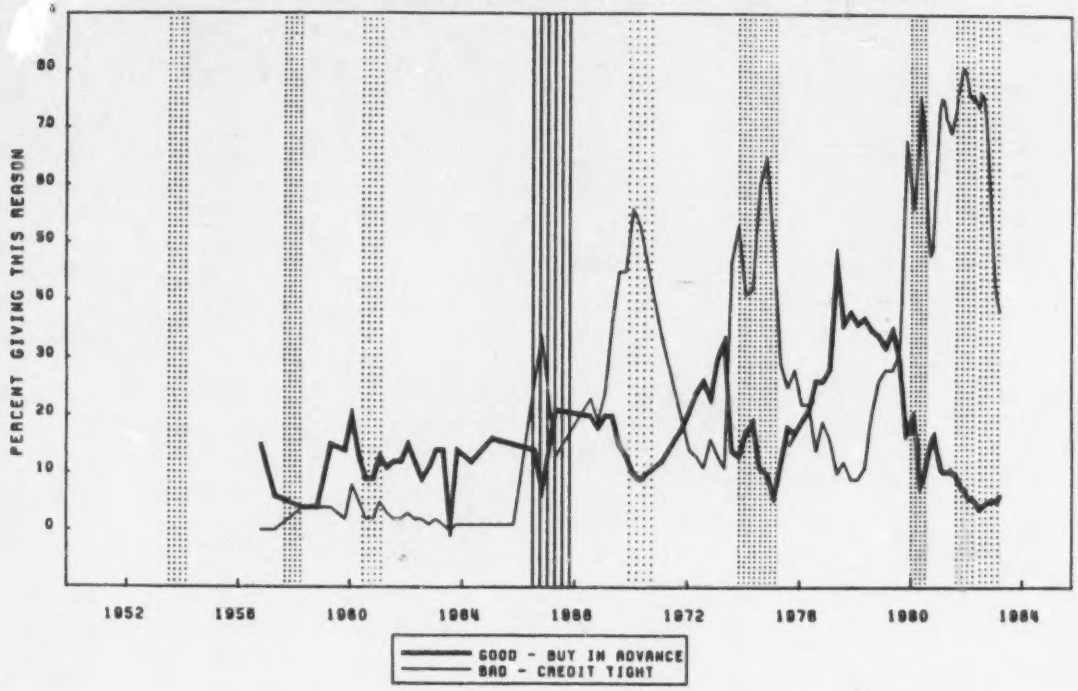


CHART 29B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

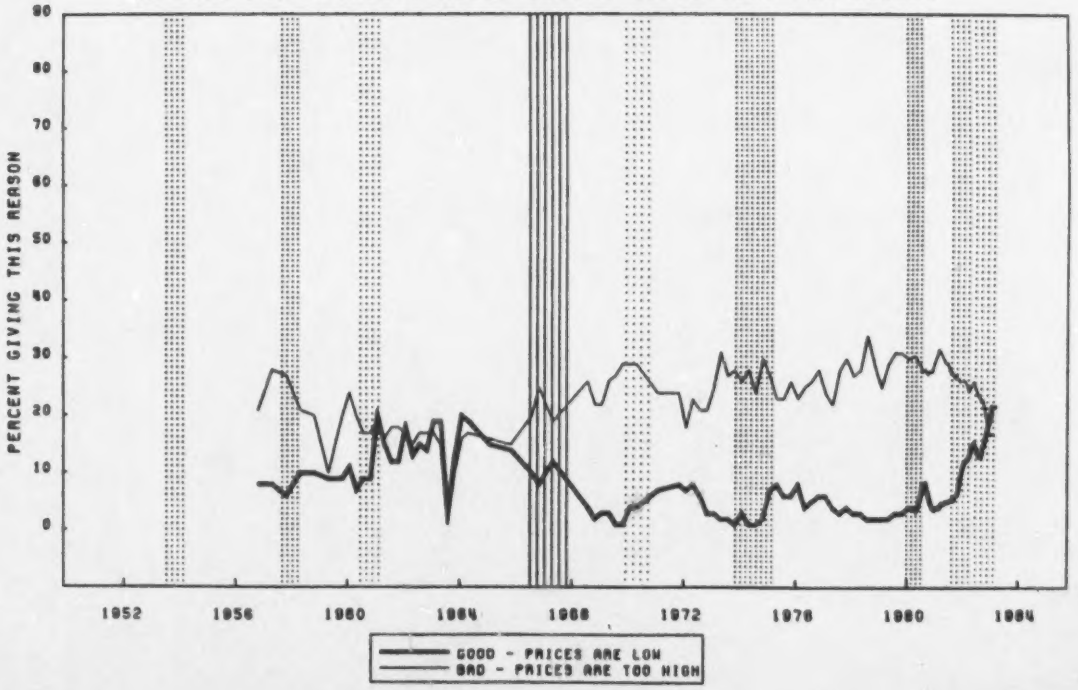


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GOOD TIME TO BUY:													
Prices are low; good buys available	13%	15%	16%	15%	12%	12%	15%	17%	17%	20%	21%	24%	20%
Prices won't come down; are going higher	7	4	4	4	4	5	5	5	6	5	5	5	8
Interest rates low; credit is easy	4	6	6	7	4	7	20	23	30	35	37	40	44
Good investment	4	5	5	4	3	4	3	2	4	6	4	4	3
BAD TIME TO BUY:													
Prices are high	25	24	27	27	21	23	25	21	16	17	17	17	16
Interest rates are high; credit is tight	78	74	72	75	82	71	64	60	49	40	41	39	35
Lack of purchasing power	23	22	18	23	27	20	21	23	23	23	24	20	21

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

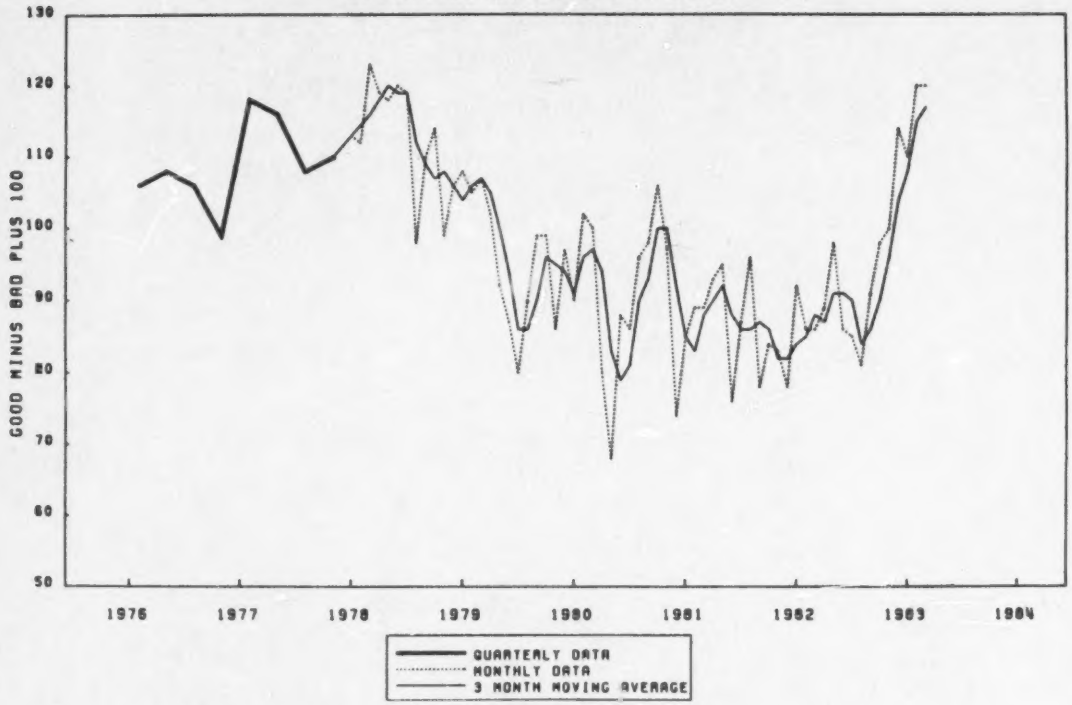


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

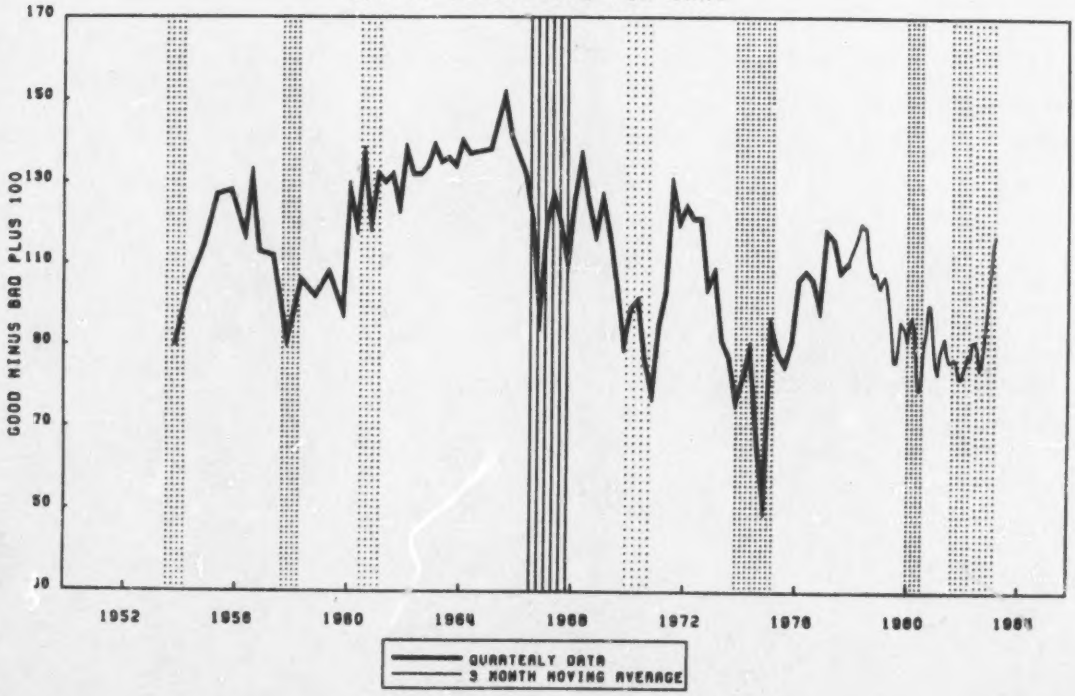


TABLE 30

BUYING CONDITIONS FOR CARS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GOOD TIME TO BUY	39%	40%	44%	40%	37%	35%	40%	44%	46%	53%	51%	57%	56%
UNCERTAIN; DEPENDS	8	9	10	6	11	11	11	10	8	8	8	6	8
BAD TIME TO BUY	53	51	46	54	52	54	49	46	46	39	41	37	36
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

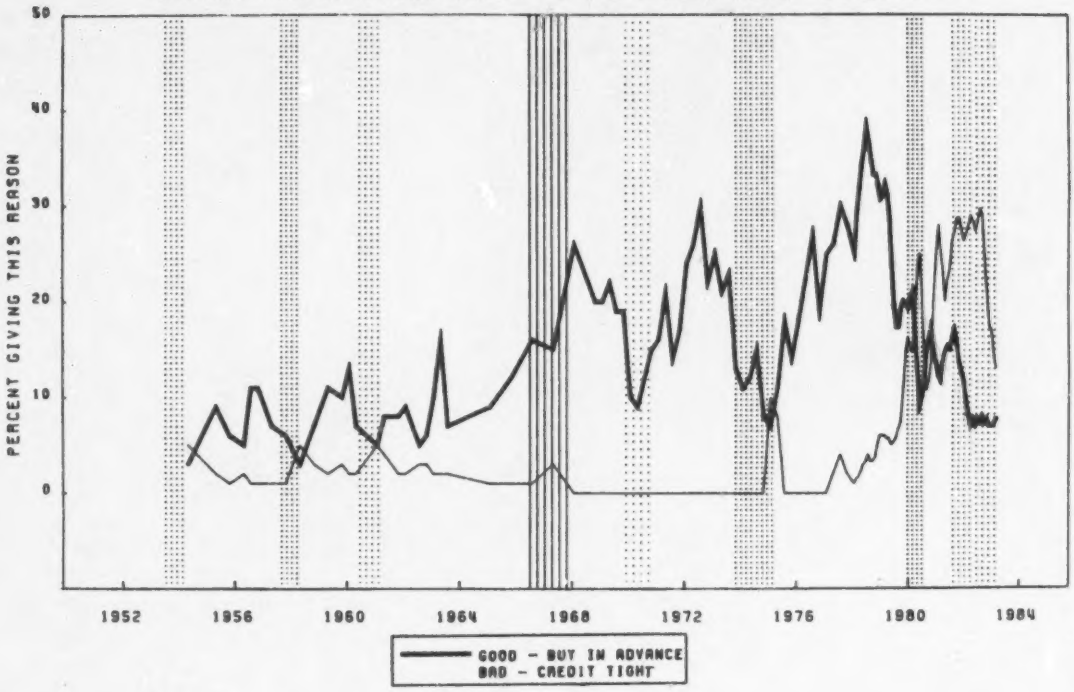


CHART 31B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

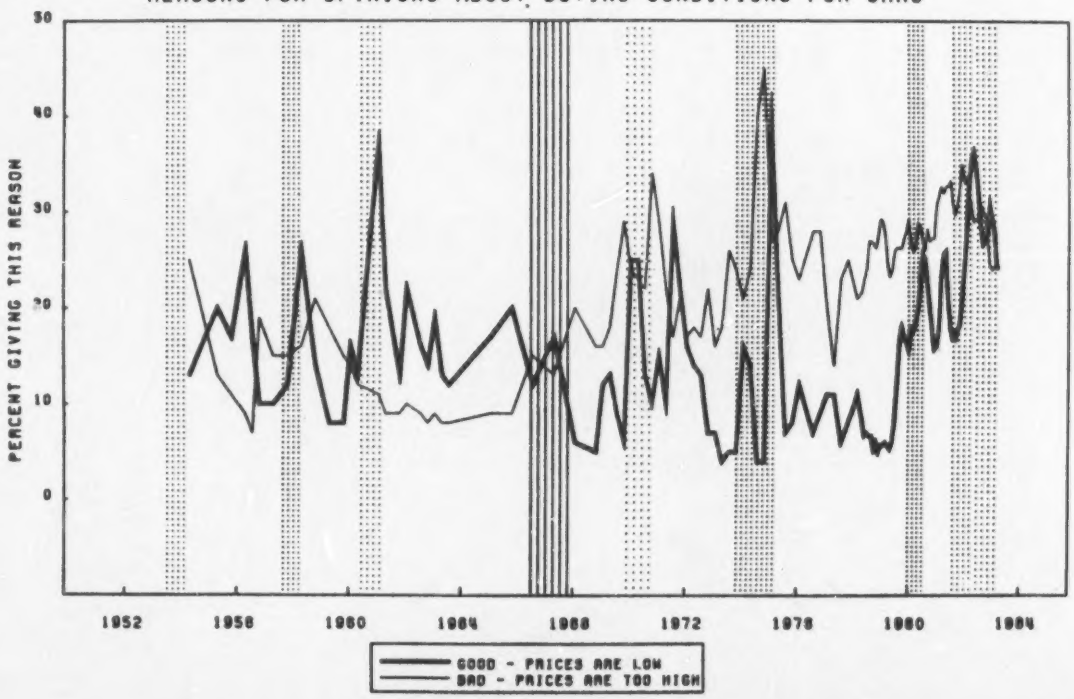


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
GOOD TIME TO BUY:													
Prices are low; good buys available	37%	36%	36%	32%	28%	26%	26%	29%	28%	35%	25%	24%	24%
Prices won't come down; are going higher	8	7	8	6	9	7	8	7	8	6	7	8	8
Interest rates low; credit is easy	3	7	11	7	5	6	10	11	20	27	29	35	34
New fuel efficient models	1	2	1	1	1	2	1	1	1	1	2	1	2
BAD TIME TO BUY:													
Prices are high	32	28	27	33	28	32	31	26	25	23	24	26	23
Interest rates are high; credit is tight	30	29	26	27	32	30	25	19	19	14	18	10	11
Lack of purchasing power	16	13	11	11	13	12	14	14	15	13	12	12	10
Price of gas; shortages	1	1	1	2	2	1	1	*	1	1	1	*	*
Poor selection; quality	7	8	6	10	10	7	7	7	7	7	6	5	5

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

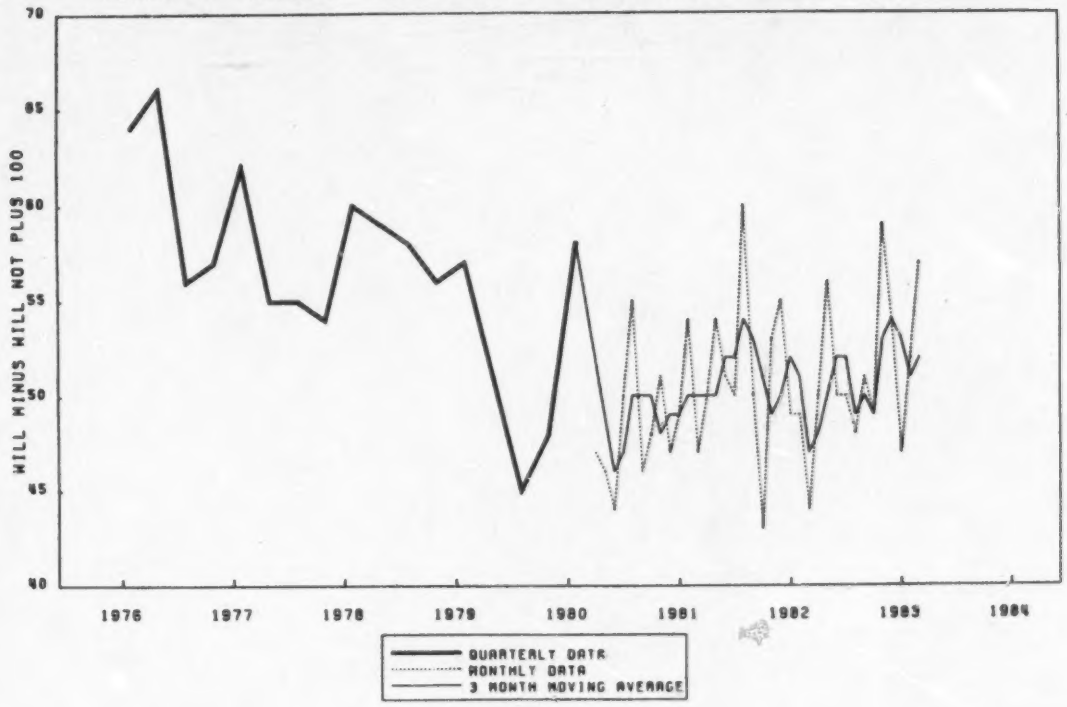


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

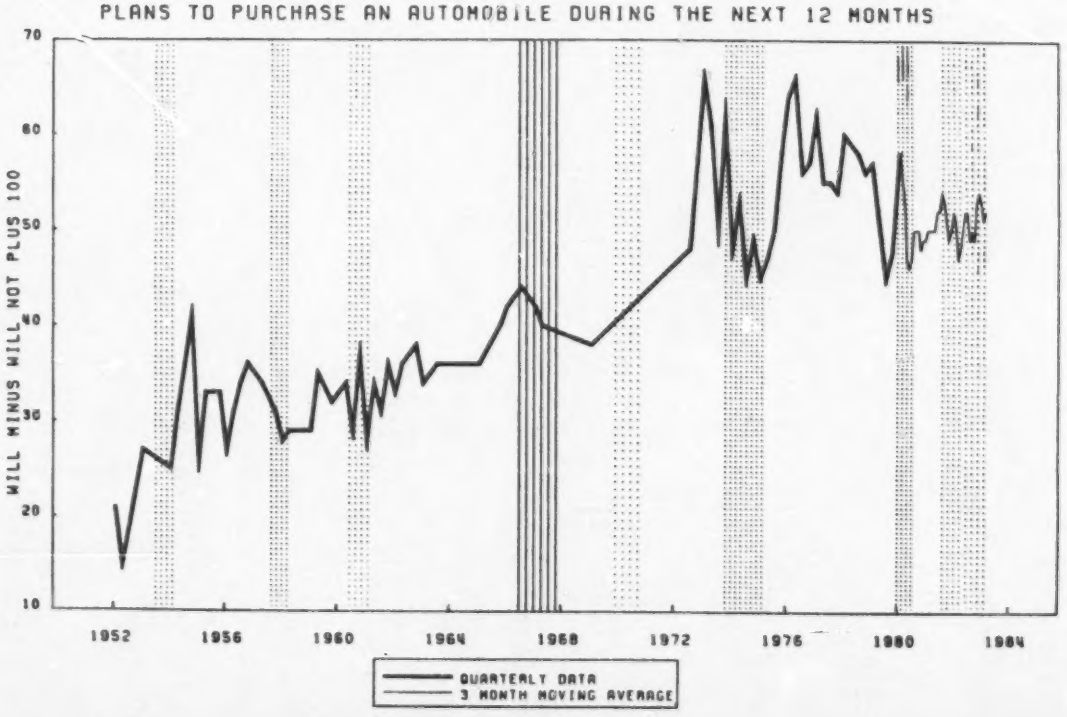


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
PROBABLY WILL BUY	14%	17%	19%	18%	16%	16%	18%	16%	21%	20%	15%	17%	20%
CHANCES ARE EVEN	7	6	8	7	8	7	5	7	8	8	7	8	7
PROBABLY WILL NOT BUY	70	67	63	68	66	68	67	67	62	66	68	65	63
DK,NA	9	10	10	7	10	9	10	10	9	6	10	10	10
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	684	702	691	703	708	680	695	687	682	682	682	709	696

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	21%	23%	27%	25%	24%	23%	23%	23%	29%	28%	22%	25%	27%
PURCHASE TYPE:													
Buy new	11	11	13	9	11	12	10	11	11	15	10	12	13
Buy used	9	11	11	13	11	9	12	11	15	10	10	11	12
Lease	*	1	1	2	1	1	*	1	2	2	1	1	1
DK,NA	1	*	2	1	1	1	1	*	1	1	1	1	1
PURCHASE TIMING:													
Next 3 months	1	4	4	2	6	4	2	4	4	2	3	3	1
Next 4-6 months	5	7	7	5	6	5	5	5	6	6	6	6	7
Next 7-9 months	5	6	7	6	3	3	4	5	8	6	4	7	9
10 months or more	6	2	3	7	4	4	7	5	7	7	4	5	6
DK,NA	4	4	6	5	5	7	5	4	4	7	5	4	4

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

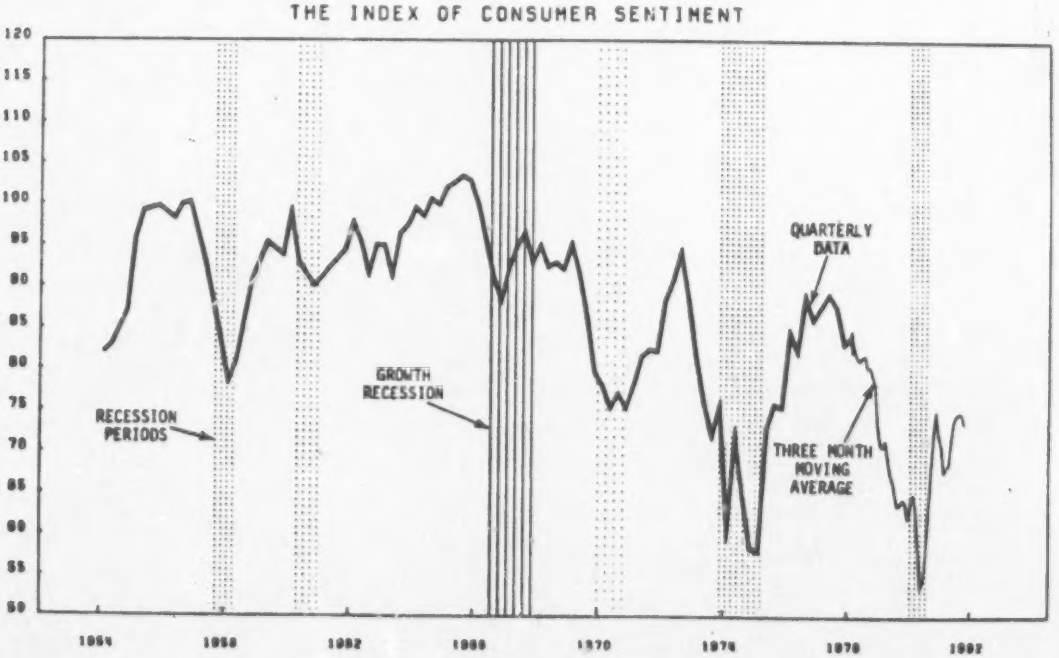
	Mar. 1982	Apr. 1982	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	70%	67%	63%	68%	66%	68%	67%	67%	62%	66%	68%	65%	63%
PURCHASE TYPE:													
Would buy new	38	39	34	37	38	40	37	39	34	40	36	34	31
Would buy used	31	26	28	29	25	27	29	27	26	24	30	29	31
DK,NA	1	2	1	2	3	1	1	1	2	2	2	2	1
PURCHASE TIMING:													
Less than 2 years	10	5	5	6	4	5	5	5	7	7	8	8	6
2 years	22	21	20	25	20	22	23	23	22	22	23	19	20
3 years	11	12	11	13	13	12	11	11	8	10	10	10	11
4 years or more	21	22	19	16	21	18	20	19	18	17	21	20	21
Indefinite	1	1	2	3	2	4	3	3	2	4	2	2	1
DK,NA	5	6	6	5	6	7	5	6	5	6	4	6	4

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:				
	November	1948 -	October	1949
	July	1953 -	May	1954
	August	1957 -	April	1958
	April	1960 -	February	1961
	June	1966 -	November	1967*
	December	1969 -	November	1970
	November	1973 -	March	1975
	January	1980 -	July	1980
	July	1981 -		

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

---

[a]The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b]Average size of monthly surveys.

[c]Average size of two monthly surveys.

[d]Average size of three monthly surveys (one quarter).

4/12/83 U7475-2 A

April 8, 1983

MARCH 1983 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

CONSUMER OPTIMISM RISING

** The Index of Consumer Sentiment was 80.8 in the March 1983 survey, the highest Index value recorded in nearly five years. The March 1983 figure was 6.2 Index points above the month earlier reading, and 18.8 Index points above the year-earlier reading. Among families with incomes of $25,000 or more, the Index of Consumer Sentiment rose to 88.9 in March 1983, from 81.3 in February 1983, and 67.9 in March 1982.

** The recent improvement was due to more favorable expectations for improvement in the economy as a whole, as well as expected improvement in consumers' personal financial situation. Nearly the entire improvement recorded during the past year has been due to more favorable expectations for the future, not more favorable evaluations of current economic conditions.

** Favorable economic developments dominated the news heard and recalled by consumers in the March 1983 survey. The most frequently reported item involved more favorable trends in employment.

** More families in the March 1983 survey expected business conditions to improve during the year ahead than at any time in the prior twenty years (51 percent). These greatly improved business expectations resulted from favorable trends in interest rates, unemployment, and prices. Twice as many families expected interest rates to decline rather than increase; more families expected declines rather than further increases in unemployment; and the expected rate of inflation fell to a low of 3.3%.

** For the first time in nearly five years the majority of families held favorable buying attitudes toward houses (51 percent), cars (56 percent), and large household durables (53 percent). The substantial improvement in buying attitudes was due to lower prices and lower interest rates. More families mentioned low prices rather than high prices for each market. In addition, families more frequently mentioned the availability of lower interest rates than high interest rates for purchases of both houses and cars.

** Although consumers are optimistic about prospects for improvement in their personal financial situation during the year ahead, their current financial situation remained weak in the March 1983 survey. More families reported income declines (26 percent) in the March 1983 survey than at any other time during the prior twenty years.

* * *

Business conditions and personal finances are widely expected to improve during the year ahead, and declines in prices and interest rates have stimulated favorable buying attitudes. The pace of the recovery in consumer sales will be facilitated by these more favorable attitudes and expectations; the duration and the extent of the recovery, however, will depend on renewed growth in incomes and on sustained declines in interest rates.

Monitoring Economic Change Program
Institute for Social Research • P.O. Box 1248 • Ann Arbor, Michigan 48106 • (313) 763-5224

Upturn in Economy Widely Expected

The March 1983 survey recorded a significant improvement in the mix of news about recent economic developments heard and recalled by consumers. For the first time since 1977, the March 1983 survey recorded more frequent reports of favorable than unfavorable developments (79 versus 40 percent). This data represents the most favorable news mix reaching consumers in more than a quarter century. The most frequently reported items in the March 1983 survey involved favorable trends in employment. During the past six months reports of news of increases in employment rose to 22 from 6 percent, while reports of increases in unemployment fell to 24 from 52 percent. In addition, the March 1983 survey recorded favorable references to declines in interest rates and prices.

Consumers evaluations of current business conditions have improved since the start of 1983, although they still remain negative on balance. In March 1983, 39 percent reported that business conditions had improved, up from 26 percent in February and 16 percent in January. From January to March, the proportion that reported business conditions as worse than a year ago fell from 76 to 51 percent.

The March 1983 survey replicated the highest proportion ever recorded of American families that expected business conditions to improve during the year ahead. Among all families, 51 percent expected improved business conditions, which equaled the long standing peak level recorded in February 1961. Just 9 percent of all families in the March 1983 survey expected worsening economic conditions in the year ahead. Further, for the first time since mid-1977, more people expect good times in the economy as a whole during the next 12 months rather than bad times, although the March 1983 level is still much lower than the peak recorded in 1976. When asked to explain their views, respondents stated that they expected favorable trends in interest rates, unemployment, and prices during the year ahead.

In the March 1983 survey, twice as many families expected interest rates to decline rather than increase during the year ahead (41 versus 19 percent). This interest rate outlook has been maintained near record favorable levels during the past six months.

More families in the March 1983 survey expected declines rather than further increases in the unemployment rate during the year ahead (36 versus 21 percent), the most favorable level recorded since 1977. These favorable unemployment expectations stand in sharp contrast to the outlook recorded one year earlier, when four times as

many respondents expected unemployment to increase rather than decline (54 versus 13 percent).

In the March 1983 survey, the rate of inflation expected for the year ahead fell to 3.3%, from 4.7% in February, and 6.0% in March 1982. This data represents a nearly 10 percentage point decline from the peak rate of 13.1% recorded in January 1980.

Although the outlook for both unemployment and inflation improved, consumers still judged unemployment rather than inflation as the more serious economic problem facing the nation by a four-to-one margin in the March 1983 survey (73 versus 18 percent). Concern with unemployment as the more serious economic problem has remained at record levels throughout the past year. Consumer confidence in government economic policies in the March 1983 survey posted the largest one-month improvement since the peak under the Reagan administration was recorded in May 1981. Among all families, favorable evaluations of government economic policies rose to 21 from 16 percent, while unfavorable evaluations fell to 29 percent in March 1983 from 41 percent in February. Although this improvement reverses the declines recorded during the past year, confidence in government economic policies remained unfavorable on balance.

Favorable Buying Attitudes

In the March 1983 survey, consumer buying attitudes remained largely unchanged at the favorable levels recorded one month earlier. For the first time in nearly five years, the majority of families held favorable attitudes toward buying conditions for houses (51 percent), cars (56 percent), and large household durables (53 percent). The largest increase during the past year was in favorable attitudes toward buying conditions for houses (up 34 percentage points) followed by cars (up 17 percentage points), and household durables (up 5 percentage points). The improvement in buying attitudes towards houses and cars has been substantial, regaining the levels recorded in the mid to late 1970s (see Charts 1 and 2).

Consumers attribute improved buying conditions to lower prices and lower interest rates. More consumers mentioned the appeal of lower prices rather than their aversion to high prices when asked to evaluate market conditions for houses (20 versus 16 percent), cars (24 versus 23 percent), and household durables (30 versus 19 percent). Such a favorable view of prices in each of the three markets has not been recorded in more than 20 years.

Complaints about high interest rates fell sharply during the past year, and by March 1983 were outnumbered by references to the availability of lower interest rates for purchases of houses (44 versus 35 percent), and cars (34 versus 11 percent). Recent declines in interest rates have had the least impact on attitudes toward market conditions for household durables. Fewer consumers reported the availability of lower interest rates on purchases of household durables (12 percent), than mentioned high interest rates (13 percent).

In the March 1983 survey, reports of purchase postponement due to high interest rates fell to 24 percent of all families, the lowest level recorded in more than one year (see Table A). Reports of postponement of vehicle purchases declined from a high of 15 percent in December 1982 to 9 percent in the March 1983 survey. The highest interest rate that consumers would have been willing to pay to make the postponed purchase was 10.9% in the March 1983 survey, unchanged from January and February, and 1 percentage point below the rate prevailing one year earlier (see Table B). While the highest rate consumers were willing to pay was approximately equal to 11% each for vehicles, houses, and household durables, the interest rate reported that would have been charged on these purchases varied from 15% for vehicles and houses to 17% for household durables. Consequently, the interest rate differential between what would have been charged and what consumers would have been willing to pay was largest for household durables and smallest for vehicles and houses.

Personal Finances: Weak But Hopeful

Consumers evaluations of their current financial situation in March 1983 remained near the record low levels of the past year. On balance, more families in the March 1983 survey continued to report financial setbacks than improvements (39 versus 31 percent). Recent income declines is the major reason given for these unfavorable evaluations. More families in the March 1983 survey reported income declines (26 percent) than at any other time during the prior 20 years.

Despite these continued financial problems, prospects for improvement during the year ahead are optimistic. Three times as many families in the March 1983 survey expected improvement rather than decline in their financial situation (39 versus 13 percent)--the most favorable outlook for personal finances recorded during the last decade. This improved outlook is based to a greater extent on more purchasing power due to lower prices than expected increases in nominal incomes. In

the March 1983 survey, 43 percent of all families expected their nominal family income to remain the same or decline during the year ahead, unchanged from the March 1982 reading. The proportion of families that expected income increases of 10% or more fell to 23 percent in March 1983 from 26 percent one year earlier.

Declines in interest rates have increased consumers' willingness to incur new debt to make major purchases. In the first quarter 1983 surveys the proportion of families that were not reluctant to use debt rose to 18 percent from 13 percent one year earlier (see Table C). The proportion of families unwilling to incur new debt fell to 79 percent in the first quarter 1983 surveys, from 85 percent one and two years earlier. In contrast to the increased willingness of consumers to incur debt, consumers remained nearly as reluctant to use accumulated savings to make major purchases at the start of 1983 as one and two years earlier (see Table D). Among all families, 29 percent reported they were not reluctant to use savings for major purchases, just above the 27 percent recorded one year earlier and 28 percent recorded two years earlier. While declines in interest rates have lowered reluctance to incur debt, precautionary savings motives have not yet yielded to spending goals.

* * *

The March 1983 survey was conducted between February 28, 1983 and March 27, 1983, and included 696 completed interviews.

TABLE A

INTEREST RATE EFFECT ON CONSUMER PURCHASES
DURING THE LAST SIX MONTHS

	Oct. 1981	Nov. 1981	Jan. 1982	Feb. 1982	Apr. 1982	May 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983
Postponed Purchases:[a]	30%	37%	33%	33%	33%	31%	30%	36%	35%	35%	33%	31%	28%	25%	24%
Vehicles	11	15	12	10	12	12	12	13	14	15	13	15	12	10	9
House, home repairs	11	15	10	11	12	11	9	10	9	10	8	8	7	8	8
Household durables	8	8	10	10	8	7	9	11	9	8	12	9	8	9	6
Other	4	5	6	7	8	5	5	7	6	6	5	7	2	5	6
No postponed purchase	67	62	66	66	67	68	68	62	63	65	66	67	66	73	76
DK; NA	3	1	1	1	*	1	2	2	2	*	1	2	5	2	*
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

*Less than 0.5 percent.

[a]Items may add to more than total, due to multiple mentions.

See Table B for question wording.

TABLE B

INTEREST RATE EFFECT ON CONSUMER PURCHASES
DURING THE LAST SIX MONTHS

Postpone Purchases	Jan. 1982	Feb. 1982	Apr. 1982	May 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	March 1983 Vehicles	March 1983 House, Real Estate	March 1983 Household Durables
All households	33%	33%	33%	31%	30%	36%	35%	35%	33%	31%	28%	25%	24%	9%	8%	6%
Interest rate that would have been charged on postponed purchase																
Median	17.5%	17.8%	17.5%	17.5%	17.7%	17.5%	17.6%	17.6%	17.4%	17.1%	15.5%	16.4%	16.6%	15.6%	15.2%	17.3%
Highest interest willing to pay to make purchases																
Median	12.0%	12.0%	12.1%	11.7%	12.0%	11.9%	11.9%	11.8%	11.8%	11.4%	10.8%	10.9%	10.9%	11.1%	11.0%	10.7%
Difference between interest rate charged and willing to pay																
Median	4.9%	5.3%	4.9%	5.3%	5.6%	5.3%	5.0%	5.5%	5.1%	5.0%	4.2%	5.2%	4.2%	3.9%	4.0%	5.2%

The questions asked were: "Have interest rates caused you to postpone making any purchases during the last six months?" "What was postponed?", "What interest rate would have been charged on any money borrowed for (ITEM)?" and "What is the highest interest rate at which you would have purchased (ITEM)?"

CHART 1

BUYING ATTITUDES FOR CARS AND TOTAL UNIT CAR SALES

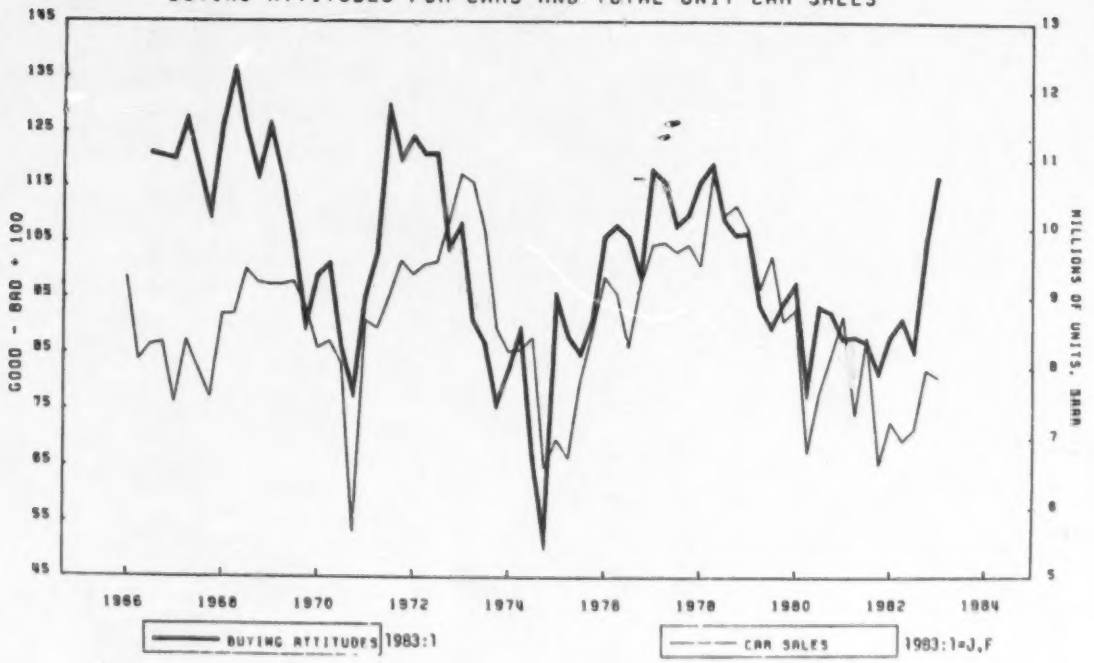


CHART 2

BUYING ATTITUDES FOR HOUSES AND TOTAL HOME SALES

TABLE C

OPINIONS ABOUT WHETHER NOW IS A
GOOD TIME TO USE CREDIT FOR MAJOR PURCHASES

	FIRST QUARTER							
	1976	1977	1978	1979	1980	1981	1982	1983
OK to use credit; not especially reluctant	20%	22%	20%	16%	19%	12%	13%	18%
Pro-con	5	2	2	1	1	1	*	*
Not OK to use credit; especially reluctant	74	71	77	82	80	85	85	79
DK, NA	1	5	1	1	*	2	2	3
Total	100%	100%	100%	100%	100%	100%	100%	100%
Cases	1184	1203	1135	1228	901	2065	2088	2087

*Less than 0.5 percent.

The question was: "If there were something big that you wanted to buy, do you think that now is a time when it would be O.K. for you to buy it on credit, or is now a time when you would be especially reluctant to take on new debt?"

TABLE D

OPINIONS ABOUT WHETHER NOW IS A
GOOD TIME TO USE SAVINGS FOR MAJOR PURCHASES

(Percentage of families with savings)

	FIRST QUARTER							
	1976	1977	1978	1979	1980	1981	1982	1983
Ok to use savings; not especially reluctant	33%	37%	32%	32%	38%	28%	27%	29%
Pro-con	6	3	3	3	1	2	2	*
Not OK to use savings; especially reluctant	59	56	62	63	54	68	70	68
DK, NA	2	4	3	2	7	2	1	3
Total	100%	100%	100%	100%	100%	100	100%	100%
Cases	1184	1097	1135	1228	901	1955	1945	1903

*Less than 0.5 percent.

The question was: "If there were a major purchase that you wanted to make, do you think that now is a time when it would be O.K. to use some of your savings or is now a time when you would be especially reluctant to use some of your savings?"

6/14/23 U7475-2 A

SURVEYS OF CONSUMER ATTITUDES

TABLES AND CHARTS

MAY 1983

Institute for Social Research

BEST AVAILABLE COPY

TABLES AND CHARTS

MAY 1983

The May 1983 survey is the 176th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

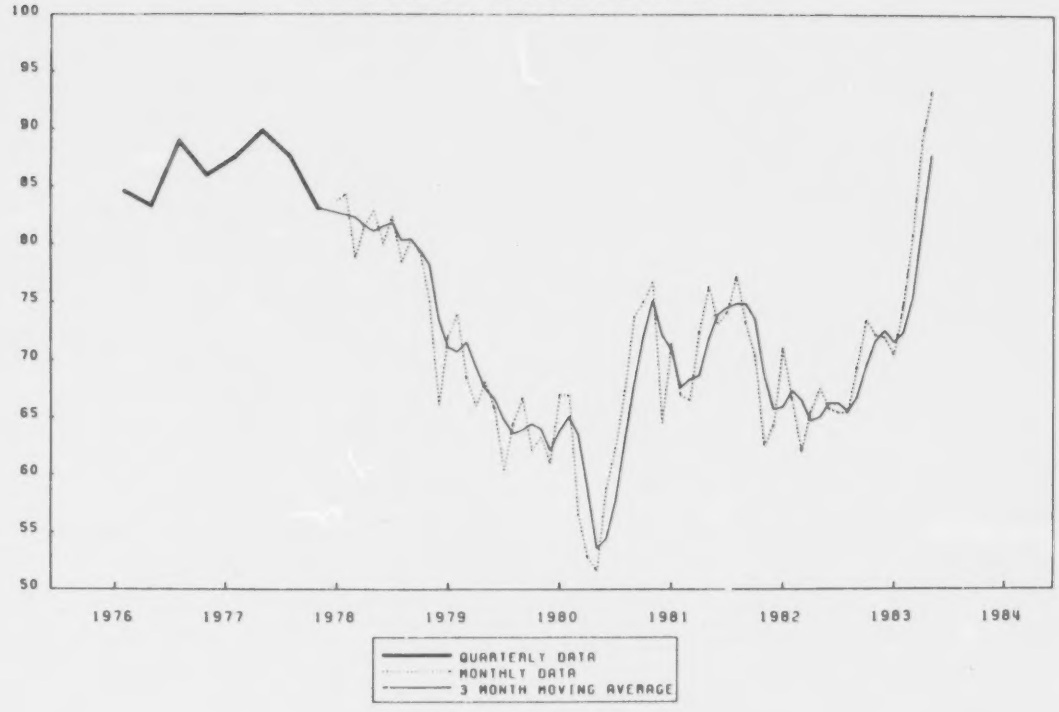

CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

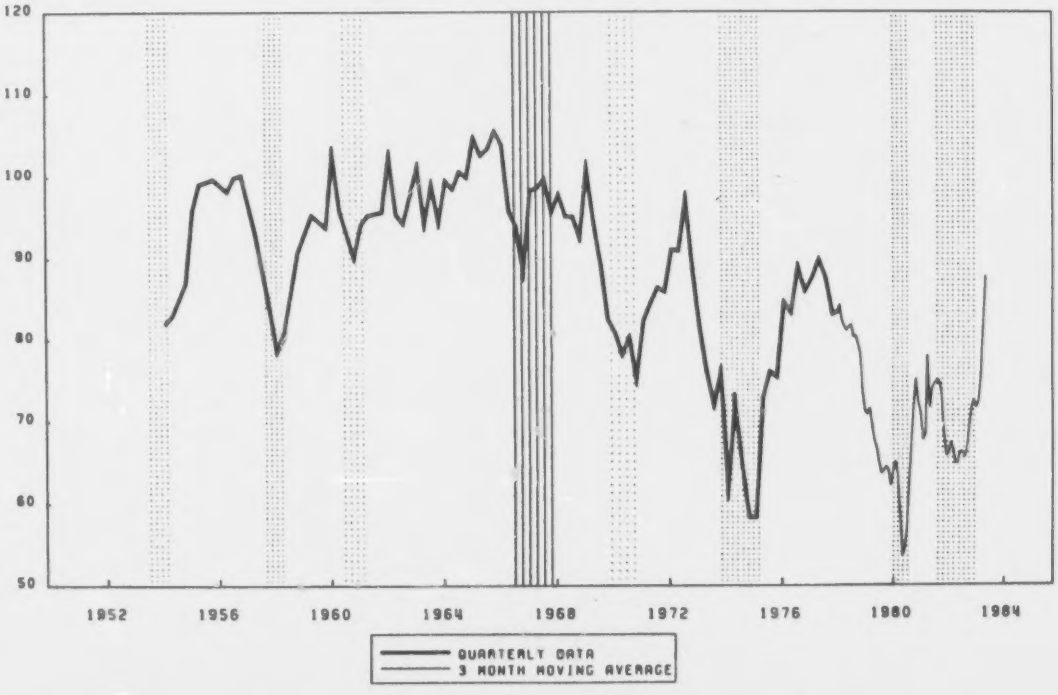

TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over $20,000	Families with incomes over $25,000
May 1980	51.7	55.2	53.3
June 1980	58.7	61.6	63.7
July 1980	62.3	67.6	67.3
August 1980	67.3	70.9	74.2
September 1980	73.7	78.1	78.5
October 1980	75.0	76.3	78.7
November 1980	76.7	82.7	87.5
December 1980	64.5	66.9	68.6
January 1981	71.4	74.8	77.1
February 1981	66.9	74.2	77.5
March 1981	66.5	72.1	73.7
April 1981	72.4	77.1	78.0
May 1981	76.3	80.8	85.0
June 1981	73.1	81.2	82.9
July 1981	74.1	80.8	82.1
August 1981	77.2	82.7	85.0
September 1981	73.1	75.2	73.3
October 1981	70.3	74.5	77.9
November 1981	62.5	67.2	66.3
December 1981	64.3	71.0	71.1
January 1982	71.0	77.9	77.8
February 1982	66.5	71.5	72.8
March 1982	62.0	67.0	67.9
April 1982	65.5	71.5	73.2
May 1982	67.5	72.7	74.8
June 1982	65.7	71.4	72.9
July 1982	65.4	68.9	69.2
August 1982	65.4	71.0	73.6
September 1982	69.3	78.4	81.1
October 1982	73.4	77.5	80.9
November 1982	72.1	79.3	81.1
December 1982	71.9	78.0	80.5
January 1983	70.4	78.2	78.8
February 1983	74.6	79.9	81.3
March 1983	80.8	88.4	88.9
April 1983	89.1	97.1	99.0
May 1983	93.3	99.6	101.0

CHART 2A - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

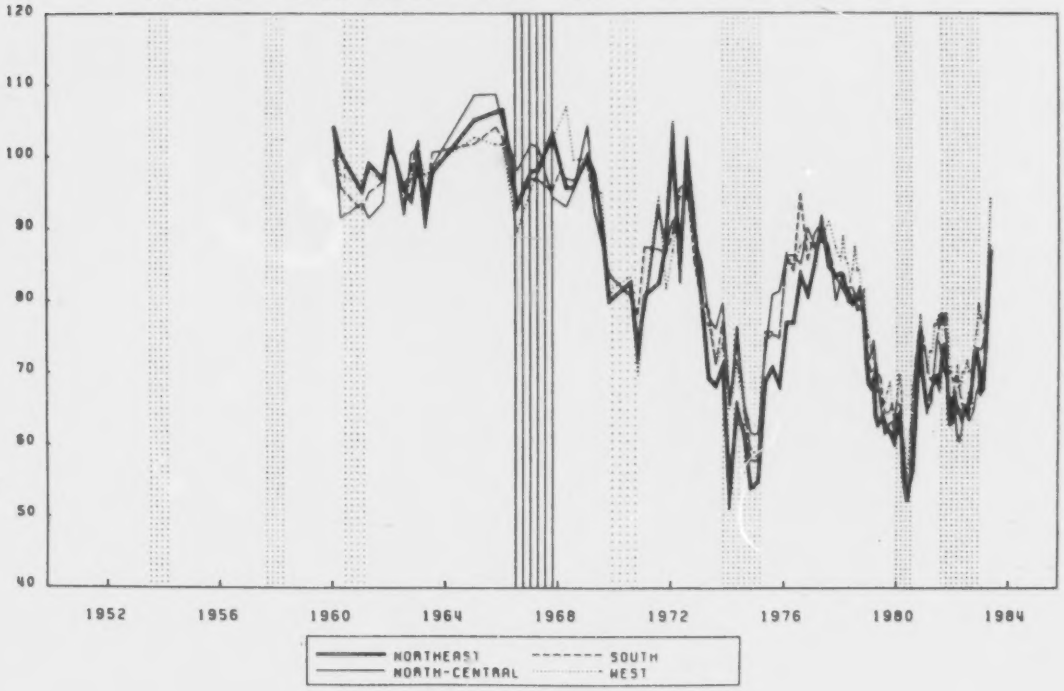

CHART 2B - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

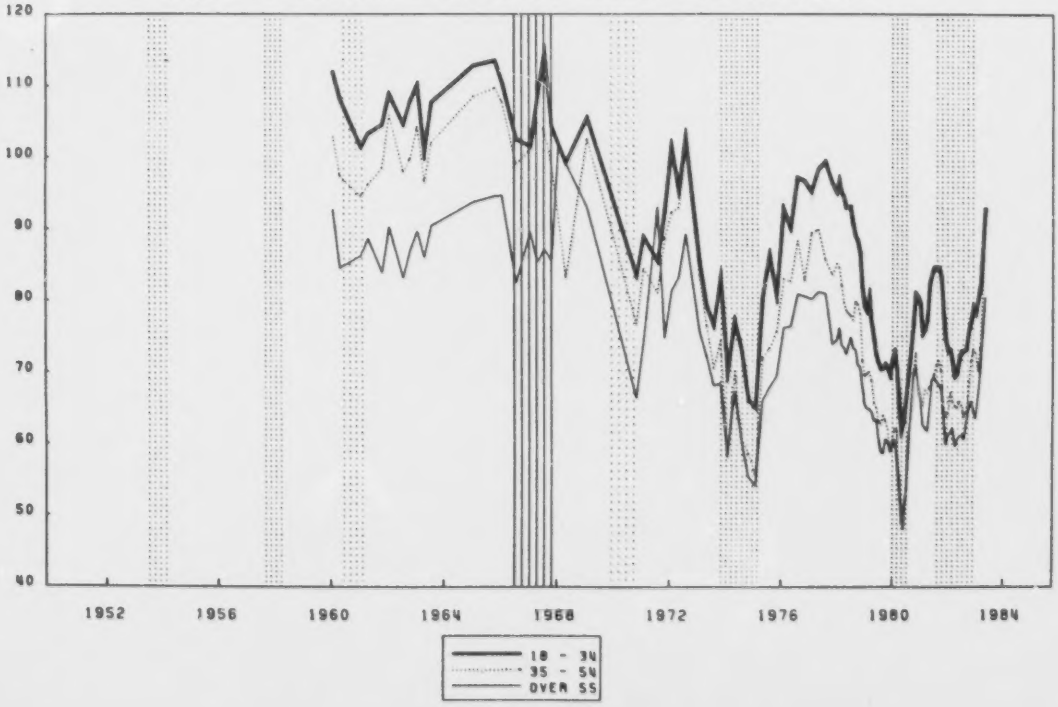

TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY	CENSUS REGION				AGE OF RESPONDENT		
	North East	North Central	South	West	18-34	35-54	55+
May 1980	54.6	50.8	49.3	53.0	62.8	46.6	43.4
June 1980	54.4	58.0	56.4	67.3	65.9	53.5	58.1
July 1980	55.9	58.5	66.4	68.6	69.9	58.1	58.8
August 1980	59.0	66.2	72.6	68.1	72.0	64.8	66.0
September 1980	76.3	68.3	71.8	79.5	78.6	73.4	69.4
October 1980	75.7	70.2	79.1	73.1	80.2	70.2	74.0
November 1980	71.1	76.2	77.3	81.9	85.3	73.5	70.3
December 1980	62.3	59.9	69.3	64.6	76.0	56.7	60.1
January 1981	68.2	70.9	72.5	74.4	77.2	70.2	67.9
February 1981	64.5	62.6	70.2	70.8	72.5	68.4	59.6
March 1981	66.5	62.6	64.9	73.7	77.3	63.9	58.4
April 1981	72.6	72.7	71.0	74.2	81.5	68.3	66.9
May 1981	66.8	76.6	77.5	82.2	87.7	71.2	70.0
June 1981	68.5	74.0	75.2	73.8	81.7	67.0	69.6
July 1981	68.9	72.2	76.5	78.1	84.2	70.6	67.6
August 1981	77.0	70.1	83.2	79.2	87.8	75.0	67.9
September 1981	75.1	69.9	72.4	76.6	81.4	68.8	69.2
October 1981	67.9	68.2	68.9	79.0	80.7	65.9	64.8
November 1981	55.8	64.7	61.1	68.8	71.3	59.6	57.7
December 1981	65.0	65.3	64.4	61.6	70.9	65.3	56.7
January 1982	68.8	67.3	72.0	76.2	76.6	67.4	68.5
February 1982	65.9	60.6	71.8	68.8	71.5	68.3	59.0
March 1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April 1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May 1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June 1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July 1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August 1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September 1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October 1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November 1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December 1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January 1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February 1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March 1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April 1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May 1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

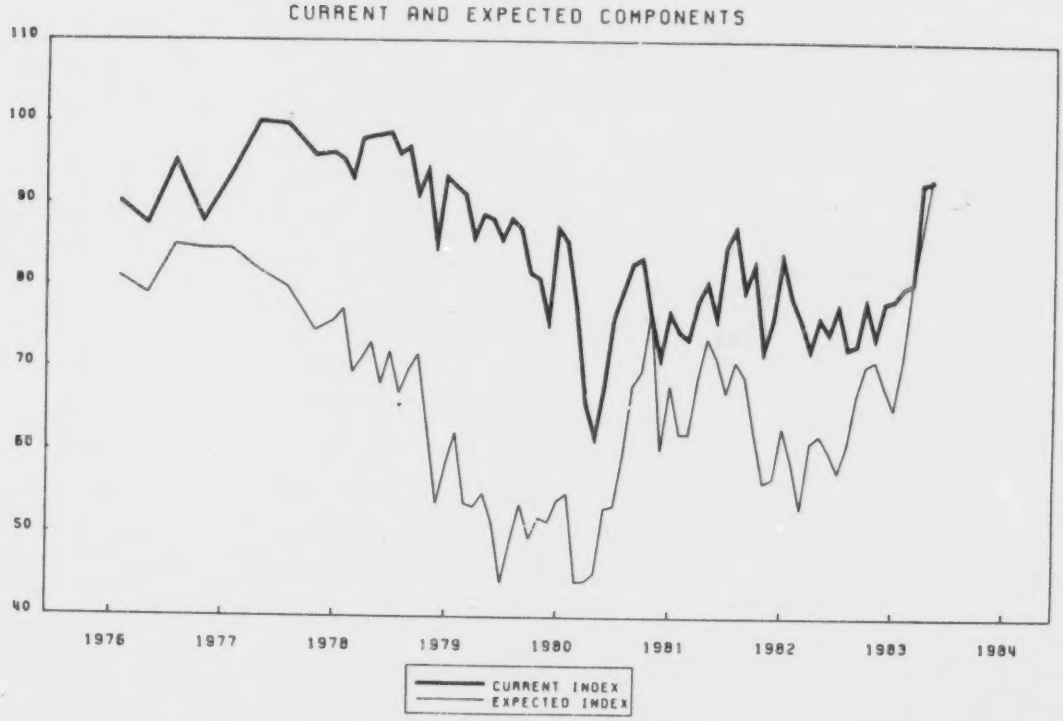

CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

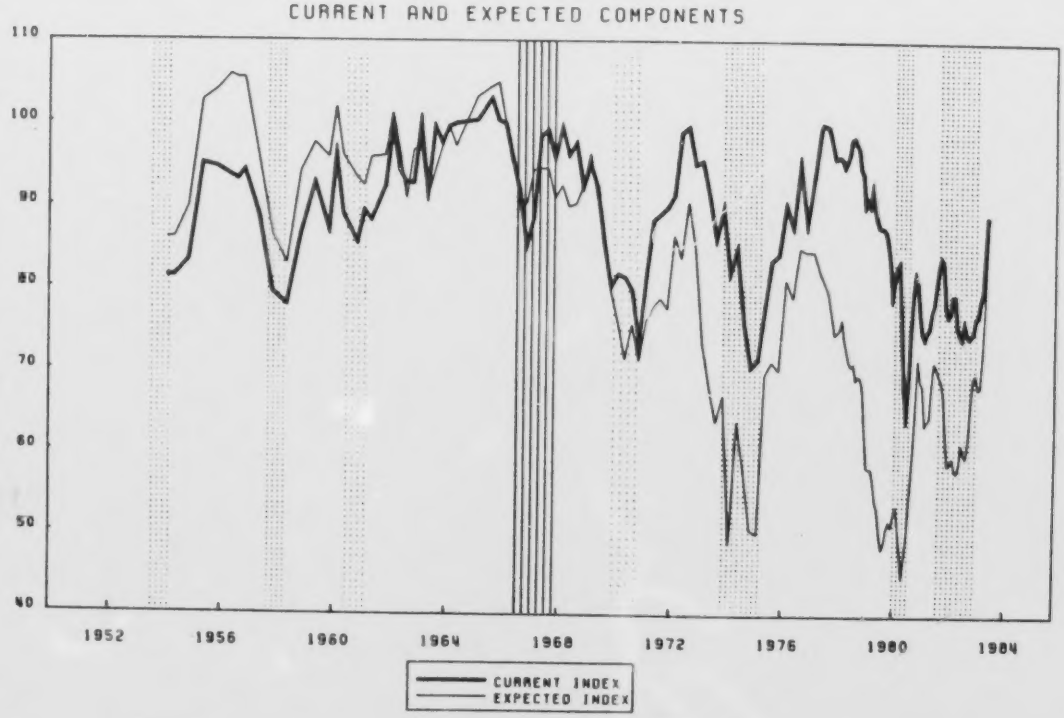

TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current	Expected	12 months	5 years	Buying conds.	Current Index	Expected Index
	(1)	(2)	(3)	(4)	(5)	(1,5)	(2,3,4)
May 1980	79	100	31	44	77	61.7	45.3
June 1980	78	101	43	63	93	67.4	53.0
July 1980	90	105	45	58	104	76.1	53.4
August 1980	93	111	63	60	109	79.4	59.6
September 1980	91	117	83	69	121	82.7	67.9
October 1980	90	108	84	83	123	83.4	69.6
November 1980	83	118	94	93	112	76.4	76.9
December 1980	77	100	64	73	104	71.2	60.2
January 1981	80	109	78	81	116	76.7	67.9
February 1981	80	106	64	73	109	74.4	62.1
March 1981	86	104	68	72	101	73.5	62.1
April 1981	79	111	83	78	121	78.1	68.8
May 1981	95	118	92	81	111	80.4	73.6
June 1981	89	113	91	78	104	76.1	71.2
July 1981	99	114	81	70	118	84.9	67.1
August 1981	100	117	92	72	123	87.1	70.8
September 1981	94	113	80	80	109	79.5	69.0
October 1981	95	110	68	67	117	82.7	62.3
November 1981	85	110	54	56	99	72.1	56.3
December 1981	94	110	54	61	101	75.9	56.8
January 1982	92	115	66	70	124	83.5	62.9
February 1982	91	112	56	65	111	78.6	58.7
March 1982	89	106	44	60	106	75.9	53.1
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

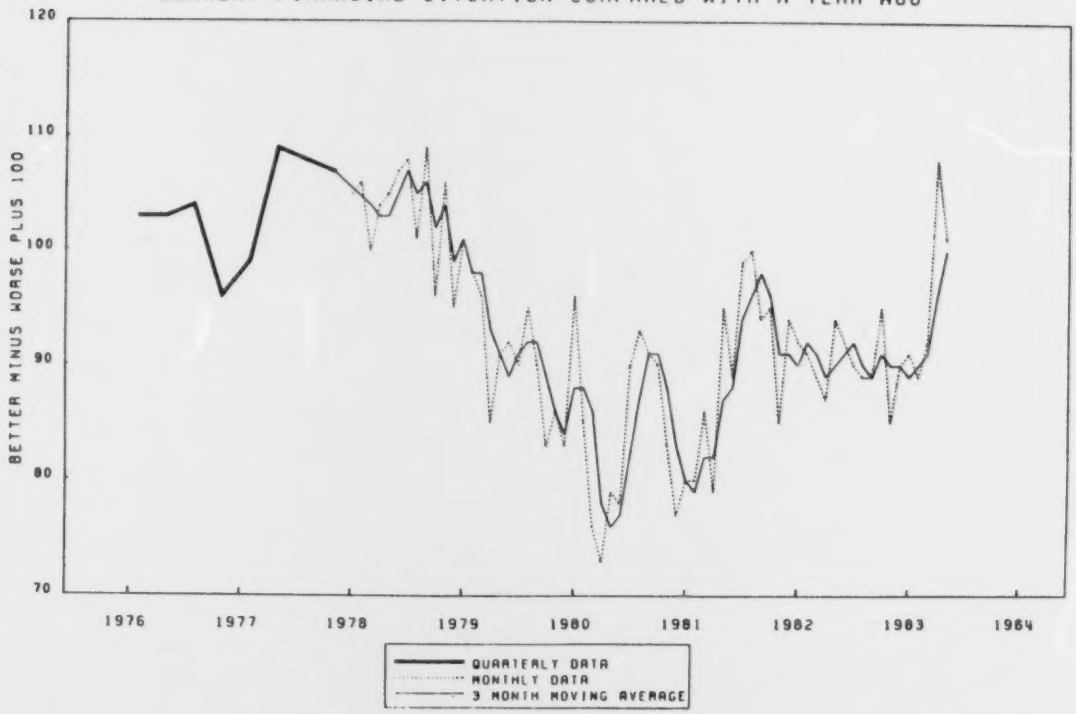

CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

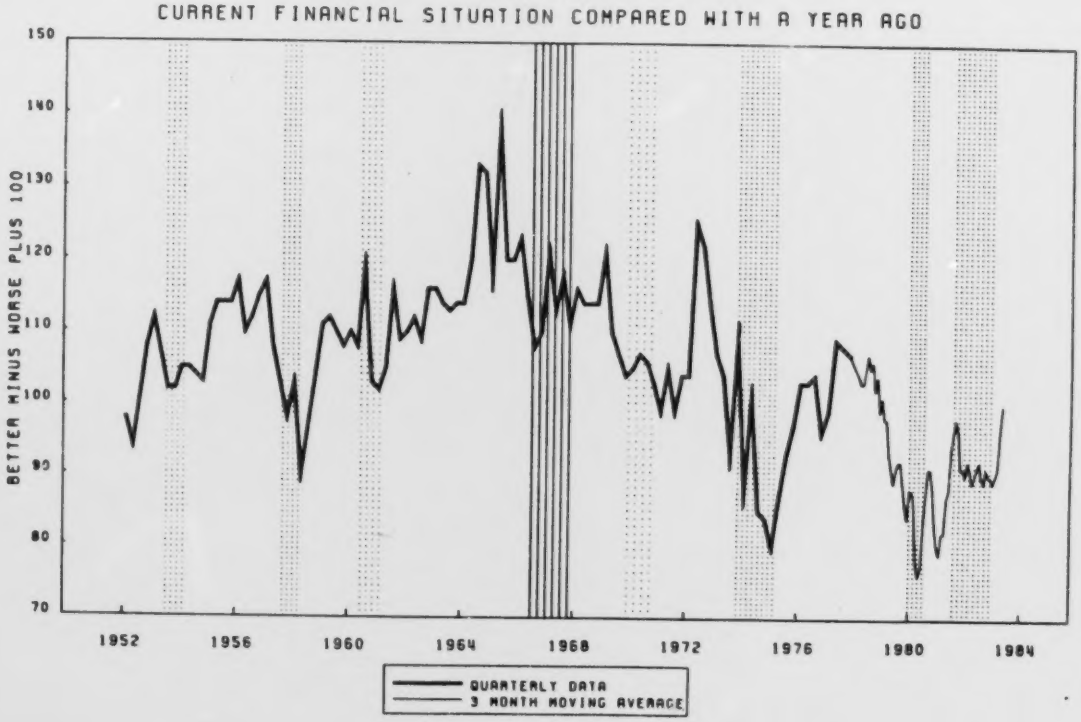

TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	May 1982	June 1982	July 1982	Aug. 1982	Sept 1982	Oct. 1982	Nov. 1982	Dec. 1982	Jan. 1983	Feb. 1983	Mar. 1983	Apr. 1983	May 1983
BETTER OFF	31%	30%	31%	29%	31%	34%	31%	28%	29%	30%	31%	39%	34%
SAME	32	32	28	30	27	27	23	34	33	29	30	30	33
WORSE OFF	37	38	41	40	42	39	46	38	38	41	39	31	33
DK,NA	*	*	*	1	*	*	*	*	*	*	*	*	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	691	703	708	680	695	687	682	682	682	709	696	707	700

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

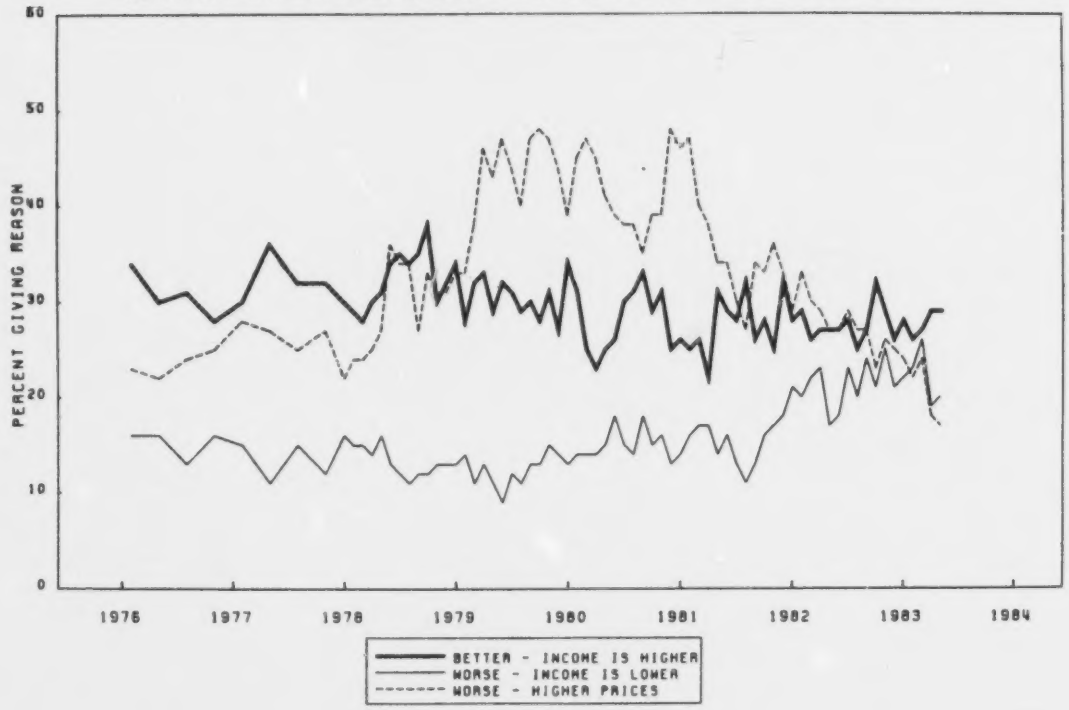

CHART 5 - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION